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CONTENTS

POLITICAL

POLAND

PZPR Voivodship Plenums Stress 'New Style' (TRYBUNA LUDU, various dates)	1
'Excuses' Prevent Plan Implementation, by Alicja Zagorska	1
Agricultural Problems, Needs in Slupsk, by Jan Urbanowicz	2
Przemysl Notes Member Growth, POP Role, by Ryszard Zatorski	3
Szczecin Production, Rural Issues, by Henryk Prawaa	4
Internal Party Strength Noted, by Jan Rutkowski	5
'Inspirational' Role, Aktivs Viewed, by Jozef Sadowski	5
PZPR Lecturer Views Task, Audiences (Andzej Murat; ZYCIE WARSZAWY, 6 Mar 87)	7
Public Prosecutor on Sentencing, Ombudsman, Other Issues (Krystyna Chrupkova; RZECZPOSPOLITA, 12 Mar 87)	9
Ombudsman Issue Possibilities Examined (Ryszarda Kazimierska; ZYCIE WARSZAWY, 2 Mar 87)	14
Socialism 'Myths,' Cadre Policy Relationship Viewed (Jan Gagacki, Mirosław Kida; SLOWO LUDU, 19 Jan 87)	18

'Socialism' Ignored in Theoretical Talks, Complains Observer (PERSPEKTYWY, No 8, 20 Feb 87)	21
Upcoming 11 November Independence Anniversary Defended (Ryszard Wojna; RZECZPOSPOLITA, 21-22 Feb 87)	22
Detailed Discussion on Self-Management Issues by Workers (GAZETA OLSZTYNSKA, 10 Feb 87)	25
Territorial Self-Management Cooperation Reviewed (RZECZPOSPOLITA, 7-8 Mar 87)	29
Public Opinion Center Surveys Youth Political Attitudes (ZYCIE WARSZAWY, 9 Mar 87; TRYBUNA LUDU, 17 Mar 87)	31
Youth Organizations' Role Minimal	31
PZPR Daily on Church Role	32
Catholic Columnist Comments on Glemp 'PRAVDA' Interview (GOSC NIEDZIELNY, No 8, 22 Feb 87)	34
Readers Respond to Criticism of Church Finances (POLITYKA, No 3, 21 Feb 87)	37
New 'National Maturity' Envisioned (NIEDZIELA, No 8, 22 Feb 87)	42
Nationalism of Opposition Group Derided (TRYBUNA LUDU, 27 Feb 87)	44
Briefs	
Governor, Bishop Meet	46
Environmental Protection Report	46
PZPR CC Delegation in Budapest	47
New PZPR Secretary in Chelm	47
Media PZPR Organizations Meeting	47
Party Philosophy Group Meets	47
Katowice PZPR Group in Czechoslovakia	48
PZPR Seminar for Enterprise Secretaries	48
'Wisla-Odra' Society Anniversary	48

MILITARY

GERMAN DEMOCRATIC REPUBLIC

Combat Aircraft Maneuverability Factors Discussed (S. Meindl; MILITAERTECHNIK, No 2, 1987)	49
---	----

ECONOMIC

CZECHOSLOVAKIA

Lag in Chemical Industry Criticized (Pavel Hrivnak; HOSPODARSKE NOVINY, No 3, 1986)	60
--	----

Four 'Official' Currency Exchange Rates Noted (Pavel Pachta, Michal Voracek; HOSPODARSKE NOVINY, No 51-52, 1986)	65
GERMAN DEMOCRATIC REPUBLIC	
Consumer Goods Industry Reluctant To Publicize Innovations (IWE WIRTSCHAFTSDIENST, No 6, 9 Feb 87; RADIO FERNSEHEN ELEKTRONIK, No 1, Jan 87)	69
Demand Usually Cannot Be Met	69
Journal Responds to Complaint	69
Weak Trade Structure Reflects Poor Management of Innovation (Erich Hoorn; DIE PRESSE, 11 Feb 87)	71
Procedures Adopted for Implementing 1986 Software Directive (Norbert Roemer, Karl-Dieter Schwenk; WIRTSCHAFTSRECHT, No 2, 1987)	73
Developments in Combine-University Research Cooperation (Richard Klar; WIRTSCHAFTSRECHT, No 2, 1987)	82
POLAND	
New PZPR CC Economic Commission Holds Inaugural Meeting (RZECZPOSPOLITA, 20 Mar 87)	92
Production, Sales Plans for 'Mazovia' Computer (ZYCIE WARSZAWY, 26 Mar 87)	94
Cost of Food for Consumers Assessed, Compared to West (Zdzislaw Grochowski Interview; TRYBUNA LUDU, 26 Mar 87)	96
New Subsidies Used To Stabilize Dairy Production (Tomasz Ordyk; GAZETA KRAKOWSKA, 6 Jan 87)	100
State Farm Dairies Outproduce Private Sector (Ludwik Staszynski; RZECZPOSPOLITA, 20 Jan 87)	103
Decreased Efficiency of Worker Partnerships Noted (Bozena Papiernik; RZECZPOSPOLITA, 17 Mar 87)	107
Background on Charter, Goals of State Farm Association (Edward Debicki Interview; SLOWO POWSZECHNE, 27 Jan 87)	110
Economist on Interest Group Politics, Agriculture (Jan Szczepanski; TYGODNIK KULTURALNY, No 7, Feb 87)	114
Maritime Economy Performance in 1986 Summarized (RZECZPOSPOLITA, 18 Mar 87)	119

YUGOSLAVIA

Data on Nonmetals Industry (EKONOMSKA POLITIKA, 9 Mar 87)	121
Results in Transportation for 1986 (EKONOMSKA POLITIKA, 9 Mar 87)	123
Data on Construction Industry (EKONOMSKA POLITIKA, 9 Mar 87)	124

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PZPR VOIVODSHIP PLENUMS STRESS 'NEW STYLE'

'Excuses' Prevent Plan Implementation

Warsaw TRYBUNA LUDU in Polish 8 Dec 86 p 4

[Article by Alicja Zagorska]

[Text] Bialystock. All the entries in the plan must materialize, otherwise the plan will not be a plan but rather a myth. At the same time, even the report is already pointing out the difficulties. This represents a gap in the lack of effectiveness and initiative, a salvo for those who will not want to bring its tasks to completion. The speech by Aleksy Smyk of Czeremcha at the Saturday PZPR KW [Provincial Committee] plenum in Bialystock, devoted to party tasks concerning the fulfillment of the current 5-year plan, was symptomatic for the qualitatively new approach of party members to the direction of development in Bialystock substantiated in preCongress discussions, adopted at the 20th Provincial Reports-Elections Conference, of which agricultural production, housing construction, development and technical infrastructure, and an improvement in the material base of the education and health sector have increasingly been seen as the most important. The conference participants discussed how to cope with the tasks.

The new manner of thinking has very clearly come into prominence during the analysis of the construction tasks.

The transfer of attention to external problems, the search for subterfuge and hundreds of reasons which absolve future shortcomings in advance, were given as examples by Wlodzimierz Kolodziejuk, conference chairman and PZPR KW first secretary. He also noted that energy must be conserved in order to seek out internal reserves.

The KW resolution strongly emphasized the obligation resting upon all party members concerning participation in the fulfillment of the plan's intentions.

Agricultural Problems, Needs in Slupsk

Warsaw TRYBUNA LUDU in Polish 8 Dec 86 p 4

[Article by Jan Urbanowicz]

[Text] Slupsk. The Slupsk KW prepared for the 6 December plenary session for over 5 months. It was filled with consultations with experts and training, symposia, visits to state and private farms. The stakes are high, however, and they concern how to ensure serious participation by provincial agriculture in the achievement of food self-sufficiency in the nation, and the participation level of the province in the 10th Congress resolution concerning the amount of grain, cattle for slaughter, and milk for 1990.

Large and up until now rarely utilized reserves are inherent in the intensive management of pasture lands. In the province there are over 75,000 hectares of pasture lands. In 1986, the hay crop barely totaled 43.8 quintals per hectare. At the same time, 60,000 hectares of arable land is being seeded with fodder. Therefore, the solution is simple; we must increase fodder production on the land which will in turn allow for the allocation of greater acreage for harvesting grains and oil-bearing plants.

This, however, is difficult to accomplish since the majority of the pasture lands are located in river valleys and the largest one totaling 18,800 hectares is found in the Leba River Valley. The basic issue for these pasture lands concerns land reclamation. Approximately 39,000 hectares require partial or complete water regulation, meanwhile in 1986 the local land reclamation enterprise has only done this for barely 600 hectares.

A program of improvement in the management of agricultural land fixed assets was presented to the KW plenum by the Slupsk provincial governor, with particular consideration for the Leba River Valley. The prediction of an average harvest of 80 quintals of hay per hectare of pasture land by the year 1994 was accepted with great reservations by many of the KW members. During the discussion, they noted that this program would require investments totaling 3.5 billion zlotys (in 1985 prices), as well as delivery of equipment which the land reclamation enterprises and water companies continue to lack.

There was also another direction of discussion which was represented by the farmers. Here, attention was directed at the fact that an improvement in management of pasture lands must, above all, be initiated with greater care in land reclamation work, as well as their future exploitation. Among others, Jerzy Kais, director of the Bobrowniki POHZ and Wladyslaw Frankowski, a private farmer from Lebork Nowa Wies, discussed this.

The KW plenum adopted the program presented stating in the adopted resolution that its fulfillment necessitates a real effort on the part

of the PGR [State Farms] land reclamation enterprises, private farmers, as well as by the institutions serving the agricultural sector.

In its organizational portion, the KW elected by secret ballot the WKK-R chairman, Jan Jamroz as a member of the KW Executive Board, and adopted a regulation governing the activity of the KW and its organs, as well as establishing 14 permanent problem commissions.

Przemysl Notes Member Growth, POP Role

Warsaw TRYBUNA LUDU in Polish 13-14 Dec 86 p 2

[Article by Ryszard Zatorski]

[Text] Przemysl. Party cells and organizations are becoming increasingly active politically, discipline and effective activity are being strengthened. It was stressed at the PZPR Przemysl KW plenary session that this beneficial condition must be maintained, and the committee also noted the weaknesses which must be eliminated.

Zdzislaw Cichocki, KM [City Committee] first secretary in Przemysl, noted that it is intolerable to think that while many colleagues at the meetings talk about discipline and responsibility, yet instead of excellence at work there is disrespect for obligations. It is easy to point out what is wrong with one's neighbor, but worse when one must look at one's own backyard. Consequently, Zbigniew Szymczyszyn, KG [Gmina Committee] first secretary in Medyka, noted that quite often when there is a task to be carried out we begin by pondering why it cannot be done.

There are, however, many positive examples. As was noted by Krystyna Sternik, KZ [Plant Committee] first secretary in Jarlan, it is the branch organizations, as happens in the factory, which inspire the work force to such tasks so as to be able to produce the same amount of more while being faced with material and raw material shortages, and to realize that waste and poor quality work are harmful to all.

Much attention at the plenum discussion was devoted to rural POP [Primary Party Organization] activity. It was suggested that small rural organizations be taken care of by colleagues from the large factories.

It was noted at the plenum that provincial organization ranks had grown. This year alone there were 497 new candidates, most from Przemysl, Jaroslaw, and Gmina Wiazownica. Over half of the membership of the newly elected committees consists of workers and peasants, almost 50 percent have undertaken these obligations for the first time.

The plenum chaired by KW first secretary, Zenon Czech also adopted a regulation governing KW and Executive Board activity, as well as appointing problem committees.

Szczecin Production, Rural Issues

Warsaw TRYBUNA LUDU in Polish 13-14 Dec 86 p 2

[Article by Henryk Prawaa]

[Text] Szczecin. The ambitious goal set by all the political and government cells in Szczecin province: the PZPR, ZSL, SD, town councils, and state and economic administration, is to produce more in 1987 than the national average. In this context, the socioeconomic tasks for next year which came about from the 10th Party Congress resolutions, were also examined by the provincial party cells at the joint plenary session of 12 December.

The report itself, which was presented by Stanislaw Malex, Szczecin provincial governor, described opportunities for accelerated development of the area and all its characteristic socioeconomic fields. For example, port trade on the western coast should increase by 6.5 percent as compared with the current year. Solid industrial production will rise by 4.4 percent. Next year's plan also assumes the construction of 6,500 housing units in the province, or 6 percent above this year's figures which were also satisfactory.

How can this accelerated development be brought about? Here, we have several characteristic opinions as noted by the TRYBUNA LUDU journalist:

Marian Ruciak, KZ first secretary at the Szczecin Gryfia Repair Shipyard. Just as our shipyard has begun modernization and growth of export services for both non-convertible and hard currency countries, other maritime enterprises such as the ports, the shipping trade, and others can also do the same. In addition, we must not forget for a moment about the improvement in the living conditions of the workers. We have done much at Gryfia in this respect, and thanks to this, among other things, we have achieved excellent production and financial results. Next year we will attempt to continue to expand and improve the sanitation equipment facilities.

Ignacy Mackowiak, a farmer from Bielce Gmina. We must keep our promises concluded in the PZPR and ZSL agreements with regard to agricultural policy, through joint efforts and friendly cooperation. Here, I am mainly concerned with land management, which represents the biggest treasure and which is never properly utilized in this region. Viewed with anxiety are such phenomena as a decline in land purchases by peasants, increasingly smaller tracts of land being taken over by descendants, a decrease in the average size of farms, and at the opposite end of the scale an increase in the number of farms being given to the PFZ [State Land Fund].

Czeslaw Kukawski, a craft guild activist in Gryfino. In my opinion, we must follow TRYBUNA LUDU's example and say loudly: less talk and more action.

Many participants such as Tadeusz Bulinski (from Zremb-Famabud), Jerzy Iwanicki (KBO-1), Eugeniusz Nizioł (KPCR Wyszobor), Zbigniew Szatkowski (Dobrzany work cooperative), and Aleksy Jackowski (Coleczko Cooperative Bank), indicated a serious need for innovative, and unconventional actions, doing away with stereotypes and all obsolete forms of party activity, that is both socio and economic. They noted that this represents the key to success and not only for 1987.

Internal Party Strength Noted

Warsaw TRYBUNA LUDU in Polish 16 Dec 86 p 2

[Article by Jan Rutkowski]

[Text] Bielsko-Biala. Would Bielsko-Biala provincial party members be able to accomplish the idea behind the current reports-elections campaign, which is based on the fact that the party program and the 10th Congress resolution have become all the more real on each progressively lower level of the party structure? Have the benefits of the congress been brought nearer to all party and nonparty residents of the province? To what degree has the provincial party aktiv familiarized itself with the political thought and program of the 10th Congress? These are just some of the questions which the Bielsko-Biala PZPR KW plenary session of 15 December attempted to address.

So as not to fall into formalism and not be directed solely by wishes, we must be realistic. An example of this pragmatic opinion was, among other things, the speech by Ludwik Hejny representing a branch of the Lodz Polytechnic. He determined that the picture concerning complete fulfillment of the provincial plan from the technical side can only be presented by the KW problem commissions appointed by the plenum.

Noting the positive changes which have taken place in the party, the participants stressed the need for further strengthening of its internal role and political condition, better results in work, as well as in the fulfillment of supervisory functions. The plenum, chaired by KW first secretary, Stanislaw Habczyk, adopted the provincial plan for accomplishment of the 10th Party Congress resolution, and also appointed 16 KW problem commissions.

'Inspirational' Role, Aktivs Viewed

Warsaw TRYBUNA LUDU in Polish 16 Dec 86 p 2

[Article by Jozef Sadowski]

[Text] Siedlce. We developed a provincial party organization program through our joint efforts in the reports-elections campaign. Currently, we must carry it out precisely, point by point. Party findings have gained public acceptance and are within the limit of our energies and abilities, and the region's future will depend upon how we accomplish

them. This was said by Jerzy Gorski of Garwolin, during the PZPR KW plenum in Siedlce on 15 December.

Stanislaw Dragan from Wegrowo noted that the party program should become the property of all residents of the province. The tasks adopted cannot be achieved solely by the party, therefore it is necessary to go outside while preserving its inspirational, supervisory, and guiding function.

Much was said at the plenum concerning the need for increased activism by party members, thereby seeking out the basic premise for the successful achievement of adopted ideas. In order for this to be so, the measure of party membership cannot be counted solely by attendance at meetings and payment of dues, but rather through the creative solution of problems and constant anxieties, active participation in changes, freeing up of initiative, as well as surmounting the existing operational models and stereotypes.

Andrzej Ornat, KW first secretary, chaired the plenary session. Tadeusz Porebski, Central Committee secretary and Politburo member participated in the discussions. Plenum members adopted the plan for fulfillment of the provincial conference resolutions, and approved the membership of 10 KW problem commissions.

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PZPR LECTURER VIEWS TASK, AUDIENCES

Warsaw ZYCIE WARSZAWY in Polish 6 Mar 67 p 8

[Interview by Andrzej Murat : "No Rose Coloring - An Interview with Leszek Sulkowski, Lecturer of Party Education from the Warsaw PZPR Party Committee"]

[Question] How does one become a lecturer?

[Answer] It is one's vocation. Through the Committee of course, but there must be an inner need, a desire to share one's knowledge and views with others. No one is born a lecturer, one must be prepared for it.

[Question] How did you prepare ?

[Answer] I am a lecturer specializing in the problems of management and economics. To understand these matters my rich career path was helpful. I worked first in the cooperatives, at the KW [Provincial Committee] PZPR in Lodz, in the Government Reserve Office, in the Planning Commission, in the URM [Office of the Council of Ministers], in the Commission coordinating the Economic Activities Among Social Organizations, and at "Polkat". I believe that, thanks to this, I gained a great amount of experience. Besides this the lecturer must be interested in his chosen topic matter. Now, I am on retirement, and must reach more often than before for professional literature and newspapers.

[Question] Which communities do you have contact with when lecturing?

[Answer] Various. With workers, the intelligentsia, the cultural community, retirees and pensioners.

[Question] Which are the most difficult?

[Answer] It is most difficult to talk to retirees and pensioners, often embittered people who feel that they have been done an undeserved injustice. Meetings with workers are the most interesting. They are more relaxed and ask straightforward questions without hedging.

[Question] Are there questions which are difficult to answer?

[Answer] Then I must simply say that I don't know, that we will return to the subject at a latter date. One cannot lie, or dodge the question, then the audience will loose its trust for the lecturer.

[Question] One must take care to make the lecture interesting ...

[Answer] More and more often one departs from a formal academic lecture. If the audience is already familiar with the topic then we go on to questions and answers. This is a better form. In the traditional lecture the speaker presents what he considers important, but it happens that the listeners are expecting something else.

[Question] Have you observed changes in the economic education of party members ?

[Answer] Of course. The level of education is different, there is more general knowledge, and this is a positive manifestation. Previously, years ago, there was more belief in the effectiveness of deeds, in the future, more involvement.

[Question] Do you sometimes feel placed between the hammer and the anvil ?

[Answer] My dear sir, the tasks of the lecturer is not to paint reality in rose colors. If reason is on the side of the audience then the lecturer should talk about something else.

[Question] What do you get from contact with those participating in the learning experience ?

[Answer] Through it I can form my views on many matters, I get to know the communities, their moods, I have the opportunity to have my opinions confronted by the opinions of others, and this brings one closer to reality.

[Question] The lecturer's work, then, is not just the passing of information in one direction ?

[Answer] Of course. One must convey the troubles and concerns of the party members, and these are the same as those of non-party members, and bring back the atmosphere of the meeting, and the opinions that emerged in discussion.

[Question] Your work is difficult, responsible. Do you feel that you are appreciated by the Committee in whose name you are implementing the program of political and economic education?

[Answer] The appreciation is not important. This is our party duty. Of course, the Warsaw Committee gives us great deal of help and good will. But we are most happy and get the most satisfaction when we see a high level of interest among the audience in what we say at the gatherings.

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PUBLIC PROSECUTOR ON SENTENCING, OMBUDSMAN, OTHER ISSUES

Warsaw RZECZPOSPOLITA in Polish 12 Mar 87 p 3

[Telephone open-line session with the public prosecutor, as reported by Krystyna Chrupkova]

[Text] On 3 March, from 9:50 am to 1:20 pm, Jozef Zyta, prosecutor general of the Polish People's Republic, talked on the telephone with RZECZPOSPOLITA readers. The decided majority of these conversations were confidential, ending, most often, with a request for a personal meeting, an ordinary appeal, an extraordinary appeal, a pardon, control over the decisions of subordinate prosecutors or internal affairs offices and other institutions. In view of their personal nature, we cannot reveal these grievances, complaints and suggestions. We can only say that all of them will be investigated and taken care of in accordance with existing regulations. That is what our guest promised.

We have grouped the remaining questions according to topics, enabling us to show the entire range of problems that were raised, which would be impossible if we were to give a faithful minute-by-minute report of the conversations. Because of this, we will not identify the callers, although only two people requested anonymity.

[Question] Throughout the entire civilized world, penal proceedings are adversarial. Yet in our country the prosecutor in the proceedings is unfairly privileged, particularly at the expense of the attorney, who is entirely omitted from the investigation process.

[Answer] It is precisely the adversary principle which is one of the fundamental principles of the Polish contemporary penal process. If you witness the proceedings at any court trial, you will easily see that the prosecutor and the accused are equal partners. That is the first point. Second: The law effectively guarantees the accused the right to have a defender, and even three at the same time. Third: If the accused cannot afford a defender of his own choosing, the court assigns a government attorney. Fourth: In the most serious cases, examined before the voivodship courts, the participation of a defender is mandatory. An attorney must also be assigned when the accused is physically disabled or when there is doubt as to his mental competence.

Also, during the earlier stage of the penal proceedings, i.e., during the inquiry or investigation, regulations permit an attorney to be present. Of course, the interest of the proceedings require that the suspect's personal or written contacts take place with the permission of the prosecutor, but for 7 days prior to the planned completion of the preliminary proceedings, the prosecutor cannot forbid a meeting with the defender. During the entire proceedings, the attorney has a right to submit evidentiary findings. We attach a great deal of importance to a suspect's contacts with a defender and to the active participation of an attorney during the entire preliminary proceedings. I recently called attention to the necessity of observing these rules in a letter addressed to my subordinate prosecutors. But practice has shown that at this stage the defenders do not always take advantage of their rights.

[Question] In certain countries laws are now liberalized because ruthless punishment appears to make no sense. In view of this, perhaps we, too, will repeal the infamous May law, also called the episodic law.

[Answer] I do not agree that the 10 May 1985 law on special penal liability is an "infamous" law and that in practice we are administering "ruthless" punishment.

Let me remind you: The legislature clearly defined the time limits that this law is to be in force. It will expire on 30 June 1988. Thus it will be in effect another year and slightly over 3 months, unless the Sejm decides otherwise.

Let me also remind you of what is most important: The law did not come about by accident. It was passed because at that time (1984-1985) we were faced with a serious growth in crime. Compared to 1980, the number of crimes recorded in 1984 had risen almost 60 percent. And it was this extraordinary, very bad situation which forced us to seek extraordinary remedial measures. One of these was a temporary change in certain regulations pertaining to the liability of the perpetrators, particularly the dangerous ones, of the commonly occurring crimes, and simplifying and accelerating the prosecution in these cases.

The episodic law has shown positive and measurable results. Already in the first half of 1985 the growth of crime had been halted and in 1986 a declining trend was recorded. I do not say--that would be oversimplification--that these favorable changes are due only to the application of this law. Nevertheless, certainly the new legal measures have made fighting dangerous crime a little easier. This fight has not ended and that is why, in my opinion, the provisions of the 10 May 1985 law are fulfilling their role--both in the stratification of penal liability and in the prevention of crime.

[Question] We hear and read constantly that crime in our country is falling, yet I, a resident of Warsaw, do not see this at all.

[Answer] In 1986, compared with the previous year, a certain drop in crime was recorded. In absolute numbers it amounts to over 36,000, i.e., over 6.7

percent. An important phenomenon is the decline in such dangerous categories of crime as homicide, rape, robbery and burglary. This pertains also to Warsaw Voivodship. Last year there were 8,731 fewer crimes (12.5 percent) than the previous year. Despite this, Warsaw continues to be most threatened by crime, as is every large urban center.

[Question] Has the prosecutor general brought anyone to account for falsifying statistics?

[Answer] The problem of responsibility for preparing dishonest statistical reports occupies the center of attention in our offices, since this, because it sometimes makes it more difficult or even impossible to make the correct economic decisions, is highly damaging to society.

Suffice to say that in 1986 the prosecutors investigated this problem in a few dozen enterprises. As a consequence, several penal proceedings were initiated; the pertinent organs were asked to punish the culprits by administering disciplinary measures and fines; the sentences issued by the misdemeanor courts were also examined and the need to punish the guilty more severely was ascertained.

In October 1986 I sent the voivodship prosecutors detailed guidelines on making a legal-punitive evaluation of these kinds of deeds, the rules of procedure in case of their detection, and the courses of action to be taken within the limits of the prosecutor's control over the observance of the law. The actions within the framework of these guidelines will be consistently implemented.

[Question] An employee is punished for stealing a little screw but the managing director responsible for bringing about the ruination of an enterprise goes free.

[Answer] Putting it that way is an oversimplification. The law does not provide judicial punishment for the theft of a little screw unless this screw is worth far more than 5,000 zlotys, the theft was accomplished by a break-in, or that the culprit stole it while he was responsible for the protection of public property or exercised supervision over this property. Theft of property under 5,000 zlotys is an ordinary misdemeanor.

Each year in our country several hundred penal proceedings are initiated against persons suspected of making bad management decisions. Most often charges are brought precisely against directors and other persons performing management functions in economic establishments. For example, in 1986 the prosecutors sent indictments to the courts against 255 persons accused of punishable mismanagement.

[Question] In one plant economic losses totaling 18 million were detected and in another negligence cost 30 million. To me, this is obvious sabotage.

[Answer] But in the language of penal law, sabotage is something entirely different. And, contrary to appearances, the laws on sabotage are very much

in effect, as shown by the well-known case of Belchatow, which was widely covered in the press.

Indeed, uneconomical management is a big problem. Each year the prosecutors charge several hundred people with it, although this does not reflect the real scale of this phenomenon. Why? Because the control mechanisms in our country do not function correctly, and especially the controls within the workplaces. Thus far, these cases are mainly detected by the militia. The amount of information coming directly from the enterprises is very small. One would therefore like to ask, where are the workers' self-managements, the trade unions, the financial sections, and the special control departments, in all of this... It is they, after all, who have the most to say through their economic, organizational and control activities. The penal code can only play an auxiliary role--not a determining role--in these cases.

[Question] How do you reconcile the intent to appoint an ombudsman with the prosecutor's role of controlling the observance of the law? Is this not a vote of no confidence in the prosecutor general?

[Answer] The public prosecutor is constitutionally and lawfully appointed to guard the law and the respect for civil rights. This is a very important, constantly being extended, part of our work. For example, in 1986 the prosecutors tested the legality of over 120,000 laws and decisions, introducing over 18,000 different types of legal measures.

It will be the task of the ombudsman to protect civil rights.

As you see, therefore, the tasks of the public prosecutor and the ombudsman are concurrent.

I believe that the appointing of an ombudsman will expand the flow to the prosecutor of reports and cases of violations of the law, will enable us to make better use of the legal means that we have for the protection of civil rights: Pronouncements, objections, complaints to the Supreme Administrative Court, and extraordinary appeals.

Thus we do not regard the ombudsman to be an expression of lack of confidence in our past operations, but indeed as real support and enhancement of these operations. That is why we are in favor of establishing the institution of ombudsman and intend to closely cooperate with him, using the experience and knowledge of our prosecutors.

[Question] POLITYKA and TYGODNIK POWSZECHNY wrote about the firing of an activist in the workers' self-management in Tonsil in Wrzesina. Did the public prosecutor investigate this case?

[Answer] We investigated it and that is why the prosecutor took part in it, in the interest of the person who was fired. The Minister of Labor, Wages and Social Affairs applied for an extraordinary appeal. The Supreme Court in considering this appeal ruled in favor of the plaintiff, awarding damages for unjustified severance of a work relationship, to go into effect immediately.

[Question] Was the fact that activists in the former Solidarity were refused jobs or were fired from them, a subject of control on the part of the prosecutor?

[Answer] No, because there is no need for such action. And there is no need because I know of no situations whose existence the question suggests. On the contrary, it is generally known that we have a shortage of labor and everyone who wants to work honestly for a living can always find a job.

By the way: Any employee dissatisfied with a decision by the management of a workplace to fire him can take his case to court, all the way through an extraordinary appeal. And if such a proposal came to me, and after investigating the case it turned out that the finding against the employee was truly issued in glaring violation of the law, I would send it to the Supreme Court by entering an extraordinary appeal.

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OMBUDSMAN ISSUE POSSIBILITIES EXAMINED

Warsaw ZYCIE WARSZAWY in Polish 2 Mar 87 p 3

[Article by Ryszarda Kazmierska: "Who Is For and Who Is Against?"]

[Text] We have one more public discussion behind us. During December and January, discussions on the subject of a proposed new legal institution--an ombudsman--have been conducted in the press, radio and television, in legal and scientific circles, in social and political organizations, and in elements of the Patriotic Movement for National Rebirth (PRON).

I would not be telling the truth if I were to write that all of those expressing themselves on the issue were "for" it. There were plenty of "against" votes. There were arguments that, after all, there are many different forms of control that we could be applicable if we used them correctly. Similar arguments were cited a few years ago when a discussion was underway on appointing an administrative judiciary. And today? Probably no one has to be convinced that the decision to appoint a Supreme Administrative Court was correct. After 5 years of functioning, it is apparent that this is a "court of fulfilled hopes."

Some opponents to an ombudsman advanced another "strong" argument: The institution is a kind of "bourgeois grafting" and does not fit our political system.

Another contra-argument: A new bureaucratic machine will arise, which--just as some past control institutions--will produce no results. Why, then, create another facade, an institution "for show?"

Among the "against" votes a reason such as this also appeared: The appointment of an ombudsman will be an expression of no-confidence in the already existing organs guarding lawfulness and democracy.

There was no lack of opponents, but they were in the minority. The majority voted "for."

"Yes, But"

Nevertheless, a "for" vote is not equivalent to approval of the published assumptions on the concept of an organizational and legal institution of ombudsman. The assumptions developed in the Council of State, which contained the variant proposals (voivodship ombudsmen, functioning in the people's councils--according to variant "A", and voivodship ombudsmen plus a central ombudsman functioning in the Council of State--according to variant "B."

Why hide it. The "Assumptions" got poor grades, especially in the scientific and legal circles. This was the opinion often heard: If the institution of ombudsman is to be formed based on the principles contained in the "Assumptions," then it would be better not to form it at all.

That is why in the position taken by the PRON National Council Executive Committee (PRON was not only the initiator of the idea of the appointment of an ombudsman but was also the organizer of the consultation) it was stated that the "course of the discussion points to the advisability of searching for a model of ombudsman which would in part deviate from the concept proposed in "Assumptions." It was delicately said, "in part," although a completely different variant was called for. Let us call it variant "C."

The idea of appointing voivodship ombudsmen did not gain acceptance. The arrangement of local relationships can have a paralyzing effect on ombudsmen located in voivodship people's councils. That, unfortunately, is the reality.

In the Sejm

Therefore, in its position the Executive Committee of PRON expressed the view that the "solution responding to the expectations revealed in the public consultation is the appointment of an ombudsman on the nationwide level, who would be elected by the Sejm at the proposal of the lawfully authorized PRON, and who would be accountable only to the Sejm."

Thus one nationwide ombudsman. But the PRON-ists suggest--just as in the case of the National Administrative Court--the possibility of the eventual appointment by the Sejm--at the motion of the ombudsman--of his local delegates. Except that the delegates would not be ombudsmen but only proxies of the Sejm ombudsman.

It would seem that this is a good idea. After all, is not the Sejm the national organ of state authority? An ombudsman appointed by this constitutionally highest organ of state authority would strengthen the role of the Sejm in the effective exercise of authority over all of the organs of the state and over the observance of civil rights and freedom.

According to the PRON suggestion, the ombudsman should be independent of all state organs (with the exception, obviously, of the Sejm). He should be given the same immunity as provided to the deputies. He should be appointed for 6 years, but should not perform the function of ombudsman for more than two terms, i.e., 12 years. The law should require all state organs to cooperate with the ombudsman and give him the indispensable assistance.

Field of Operations

I think it would be well to disseminate the list of matters for the ombudsman as presented in the PRON position paper.

Thus, the subject of complaint to the ombudsman should be "every action or desistance of organs of state administration, or their subordinate public services, which without basis restricts the rights and freedoms guaranteed by the Constitution and the laws of the Polish People's Republic, and in particular such action or desistance which for any reason leads to discrimination against a citizen. The subject of complaint may also be negligence or failure to properly execute tasks by the pertinent organs of administration or state institutions, any unlawful action or action striking at universally accepted principles of social justice or infringing on the rightful and vital interests of the citizens, or the protracted and insensitive settling of matters."

It is stated in the PRON document that there should be no subject restrictions on complaints regarding action or desistance of action on the part of organs of administration or their subordinate public services.

In the case of citizens' complaints stemming from activities of state enterprises and cooperatives--in regard to the areas of regulated provisions of the civil code, cooperative law or labor code--the ombudsman should restrict himself only to formulating recommendations of a general nature, and in regard to a specific complaint, he should make, as necessity dictates, a decision to initiate court proceedings or a decision to send a proposal to the Constitutional Tribunal or confine himself to informing the citizen of the resources and appropriate procedures available to him.

What Powers?

In its position, the PRON Executive Committee is in favor of granting the ombudsman the following powers:

--The ombudsman should be assured access to the documents of the issue without any kind of restrictions. In the case of release to the public of information clarifying the course of the proceedings, the general provisions of the law on the observance of military and state secrets will be binding.

--The ombudsman should be given the right to conduct an inspection at his own initiative or in connection with clarification proceedings which he is conducting. The ombudsman should be given the right to instigate disciplinary proceedings in the case of intense ill will on the part of an official in the state administration.

--The ombudsman should have the same powers in administrative proceedings as the prosecutor.

--The ombudsman should have the right to submit cases to the Constitutional Tribunal, send to the organizations which have the power to initiative legislation proposals on changes to the law in effect, and to organs issuing

lower-order regulations proposals on changes to the regulations that they issue.

There is also a suggestion in the PRON position that the question of giving the ombudsman independent power to enter an extraordinary appeal in behalf of citizens sentenced by general courts should be examined.

The duty of the ombudsman to make annual reports to the Sejm should also be mentioned. These reports would be public documents, i.e., made known to the public.

What Next?

The PRON position paper is dated 30 January. It was sent to the Council of State. And what next?

PRON "expresses a deep conviction that the results of the consultation will have an important influence on the final form of this new institution and the position of PRON will be taken into account in the further legislative work relating to the establishment in our country of the institution of ombudsman."

Laws do not come about quickly. From the "Assumptions" to the draft law presented last November, which the Council of State will send to the Sejm, is a long way.

PRON came out with the idea of appointing an ombudsman at its First Congress, 4 years ago. We expect that despite the difficulty in developing the concept of such an important institution, the matter will be brought before the Sejm even before the PRON Second Congress.

9295
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SOCIALISM 'MYTHS,' CADRE POLICY RELATIONSHIP VIEWED

Kielce SLOWO LUDU in Polish 19 Jan 87 p 3

[Article by Jan Gagacki and Mirosław Kida: "On the Borderline of Illusion and Reality"]

[Text] Social justice is an ideal which has gnawed at human minds since the earliest of times--an ideal that has been written on the banners of every revolution and adopted by all political movements regardless of their ideological origins. During various moments of man's history, it has emoted within itself various meanings depending on whose interest it was being fought for. In the understanding of the bourgeoisie, it always came down to the totally unhindered acquiring of wealth by all those who are able to use the rules of the free economic game. However, who without at least some small capital had any chances of doing this?

However, justice with the birth of socialism acquired a different dimension. The new political reality that eliminated the mechanisms enabling the taking over of the fruit of the labor of others, at the same time created the chance for laborers and workers to free themselves from degrading poverty. However, the commonplace understanding of justice is limited to the sphere of the distribution of consumer goods. This is also how it is understood by workers--our discussion participants who represent three generations of "welteroway": Edward Nowakowski and Jozef Kucharczyk--both of whom are already retired; Stanisław Kowalski and Stanisław Lachmaniuk--tool setters with over 30 years of work behind them; and the youngest--Krzysztof Mrozowicz, a locksmith, and Zbigniew Kowalczyk, a quality controller.

Despite the more than 40 years of the history of the people's government, socialism continues to be mythologized as a panacea for the defects of previous systems. The simplified understanding that socialism should automatically guarantee people abundance of all kinds is doing penance until today in nearly all social spheres. Meanwhile, socialism has done away with privileges arising from ownership and has eliminated the "pass" allowing access to the social elite in the form of inherited capital. This has created the opportunity for making use of the talents of the general public. Everyone who wanted to and was able to receive the opportunity to use his talents. Therefore, everyone was assured an equal start in society. And herein lies the essence of socialist justice. This is stressed particularly strongly by E. Nowakowski and by J. Kucharczyk.

A chance is a chance but things have varied until now with making use of it. By eliminating the principle of competition, socialism has, for example, lost its dynamics. However, it has gained a greater possibility of growth resulting from the selection of organizers of economic, political and cultural life not from a narrow circle but from among the general public. Did this opportunity always acquire the value of practice?

The representatives of the oldest generation give an affirmative answer to this question. However, the younger discussion participants are not inclined to give such an unequivocal assessment giving examples of the imperviousness of the channels of professional or social advancement. The hitch in all of this is that cadre policy does not lack imperfections. Zbigniew Kowalczyk notices, for example, the amazing persistence of the "merry-go-round of positions [job]." A failure who does not fulfill his duties as a director in one enterprise takes on a less responsible position elsewhere: if not the director, then the assistant director or at least the chairman. The habit of forcing in "your own people" continues to be stronger than the realistic assessment of a candidate's competence and qualifications for a managerial post. He also perceives another defect: the striving to inherit attractive professions that enjoy public prestige. A doctor's son usually becomes a doctor, a lawyer's child also puts on a toga, a diplomat's children sooner or later find their way to foreign posts whereas theatre stages and film studio doors open up to the offspring of actors. And one more thing--the purely human tendency to the life-long fulfillment of lucrative functions has often given birth to wrongdoing. Only the time of political crises would eliminate the ignoramuses. In attempting to surer the situation, the party sanctioned the principle of terms of office at its Ninth Congress. An appropriate entry has found itself in the PZPR statute but is there not a way to bypass it?

Social services for the public are a nontransferable [niezbywalne] feature of socialism. To be sure, in competitive political systems they have also already gained acceptance. However, nowhere do they have such a broad range which encompasses free education, health care, access to culture and an entire sphere of communal conveniences. These goods and services, which are accessible to everyone regardless of the contents of their wallet have embedded themselves deeply in human awareness and appear natural and due. Very few people even notice anymore the evidence in them of the ideal of justice. Perhaps this is because the institutions appointed to offer general social services are constantly far from perfect. If only to give the example of health care presented by Stanislaw Lachmaniuk. Supposedly one can take advantage of free medical advice at a workplace clinic but if you need treatment you have to pay the doctor a private visit anyway paying 2,000 zloty for it. Similar deviations may be observed in education where without private lessons even the talented students sometimes have problems with obtaining favorable school reports. In this situation, the striving to privately obtain goods and services from the catalogue of social privileges manifests itself more and more frequently. The only thing is: can everyone afford it? Will this not lead to injustice resulting in differentiation in access to education, health care, etc.?

Stanislaw Kowalski feels that appropriately high wages would enable everyone to satisfy all their life's needs without looking to the welfare of the state. As a rule, the structure of income is treated nearly commonly as the basic gauge of the implementation of the ideal of justice. In our society, the most important element of income is wages. It is essential, above all, that they reflect the actual work input of every person. This is emphasized by K. Mrozowicz who points out that the differentiation alone of wages does not arouse reservations if it is based on an honest assessment of the efforts of individual workers. It is understandable that complex work that requires skilled knowledge, ingenuity and responsibility and at times, organizational capabilities must be rewarded much better than the performance of simple functions. And this does not give rise to controversy. However, not many people are happy with their earnings. Despite the ever broader introduction of incentive wage systems, it is felt that remuneration still does not correspond to individual work commitment. The distribution of various bonuses and rewards is criticized in particular. The amount of the approved part of wages continues to shape itself according to either the principle of "urawnilowki" [equality] or according to personal favoritism of one's superiors.

The income obtained by the so-called private enterprise constitutes a somewhat different problem. In truth, no one accuses a skilled workman of wrongdoing, who reaps abundant profits for conscientiously performing his duties, but what upsets people are the enormous fortunes of the boutique-vegetable growers caste made quite often by means of black market dealings and tax swindles. Therefore, justice is not decided by big or small money but by the way in which it is acquired and the method according to which it is distributed among the workers as long as the principle "to each according to his work" is adhered to.

There never was and never will be justice that can measure up to the dreamed of ideal, concluded our discussion participants. After all, justice is a value of historical dimensions and together with social progress manifests itself more and more fully in public life, although, its assessment is not without the influence of the possibilities of satisfying all human needs and aspirations. That is why it is necessary to improve the criteria according to which material goods, that are at the disposal of society as whole, are distributed. According to individual feelings, the measure of justice will always depend on the level of personal aspirations. It is important, therefore, that the understanding be encoded in human awareness that the shape of these aspirations should be correlated to the possibilities of satisfying them.

9853/12851
CSO: 2600/488

'SOCIALISM' IGNORED IN THEORETICAL TALKS, COMPLAINS OBSERVER

Warsaw PERSPEKTYWY in Polish No 8, 20 Feb 87 ~ 20

[Text] I was a participant in a certain seminar, in the program of which career problems were linked closely with social and political questions. It was conducted by titled people known for their activity and responsibility, which seemed to be an opening for discussion and argumentation. One thing struck me—in the course of the 5-day seminar, the word "socialism" was not heard once!

Somehow it has disappeared from our vocabulary. Once grossly overused, inflected in every possible case even when not justifiable, it now is shamefully neglected and passed over in silence by many. It is falling out of usage, although there are situations when one should not only think about it, but say it. Has a fashion for forgetfulness really taken over?

My observations refer not only to the seminar mentioned above. This is a significantly broader phenomenon. Those who not so long ago called upon this word-incantation for no reason and handled it about excessively now go through gymnastics in order not to use it at all. Restraint is understandable, but what does avoiding it really mean?

There is a second word, which economists in particular dislike very much. I am thinking of "justice." Social justice. When I used this term in discussions at the seminar mentioned above, one of the professors reacted nervously: That is no argument; justice means nothing to me; you should reason economically...

This concerned protecting those who were not faring well, or state social policy. Thus, I thought to myself, has not only forgetting words but also disassociation of concepts really ensued?

13324/9190
CSO: 2600/427

UPCOMING 11 NOVEMBER INDEPENDENCE ANNIVERSARY DEFENDED

Warsaw RZECZPOSPOLITA in Polish 21-22 Feb 87 p 3

[Article by Ryszard Wojna: "A Subject that Has Already Matured"]

[Text] One year and 9 months remain until the celebration of the 70th anniversary of the regaining of independence. In accordance with the many times proven ritual of our propaganda which prefers above all campaign activity, the huge machinery of preparations for the commemoration of this landmark anniversary in our history will start sometime at the end of September and the beginning of October of next year so as to subsequently--in gaining momentum from week to week--reach the culminating point on the eve of the anniversary (6 or 11 November?!). However, a few days later these trends will completely disappear from newspaper columns unless perhaps the printing office delays the printing of one of the periodicals.

I would like to present beforehand a few reservations against such an approach to this important matter.

1. The present time is not indifferent to the discussion or celebration of anniversaries from modern history. Not only is it [time] history's background but also its continuation. The present time is the collaborator of this history and thus, an active, committed and not at all disinterested witness.

Therefore, the present time is special. When we recall the way we used to approach the 30th, 40th, 50th, and 60th anniversary of the "outbreak of independence," it is impossible not to notice a significant evolution. From an outright critical tone and accusations that the independence was not real (because it did not bring liberation to the working masses), through the constant broadening of the scope and depth of historical analyses, to increasingly warmer assessments, we have finally reached a far advanced identification with the moods of society at the turn of 1918/1919 at which time the intoxication with independence dominated over every hardship, concern and doubt.

Nonetheless, we still have not reached a social consensus in the assigning of emphasis and in drawing conclusions. Depending on political preferences, some are exposed excessively while others are underestimated.

The 70th anniversary is a fitting occasion for us to close the discussion on this subject. The state of our historiography has matured to this (it has the opportunity to speak about this openly without stuttering on blank spots). Dissension and classification according to advocates of Pilsudski, Dmowski, the PPS [Polish Socialist Party], and the SDKPiL [Social-Democratic Party of the Kingdom of Poland and of Lithuania] have retreated into the past whereas the reality of the magnitude of this date shines with an increasingly brighter light from year to year.

The making from this anniversary of a true holiday of national understanding with regard to the most important matter--the welfare of the state lies within the straight line of the political course of Gen Wojciech Jaruzelski.

2. The reconstruction of the Polish nation does not have its source in one fact or one date but was a process that lasted several years. The Second Republic adopted the date of 11 November 1918 as one that bordered on a time of captivity and a time of independence and established a national holiday on the anniversary of that day. This was not so self-evident to our forefathers.

The liberation of Krakow from under the rule of the Austrian invader began as early as on 31 October. On that same day Cieszyn was also liberated. The liberation of the Lublin region began at the same time. On 6 November, a Temporary People's Government of the Polish Republic was created. On 10 November at 7:30 am Jozef Pilsudski arrived in Warsaw, liberated by the Germans from the Magdeburg citadel. On that same day, the disarmament of the Germans in Warsaw began. On 11 November, the Poles began to take over offices and warehouses from the Germans. However, the liberation of Poland's central territories from the military presence of its invaders lasted until the beginning of December.

The date of 11 November was accepted as a turning point for two reasons: this was the culminating day of the liberation of the capital and on that day, armistice was called and by the same, World War I ended. Several European nations have recognized this date as their national holiday.

During World War II, controversy continued for a long time in the press of the Polish Underground as to whether liberated Poland should not discontinue celebrating 11 November as a national holiday because this date had been overly exploited by the "sanacja" regime as one of the testimonies of its authority (the role of J. Pilsudski and of POW [Polish Military Organization]). The majority of the political powers associated with "London" were in favor of honoring the date of 6 November which played an important role in the genealogy of the Peasant Party and of the PPS [Polish Socialist Party].

In People's Poland, the date of 11 November was acknowledged with appropriate commentaries and journalism without according this date particular attention. This is the way it was until the beginning of the 1970's at which time the main emphasis of the celebration was changed to 6 November precisely with the intention of meeting the traditions of the people's movement and of the socialist movement halfway.

Communities with a critical approach to current authority, perceived in this date of the regaining of independence and Daszynski's "Lublin government," maneuvers with current political significance. Their response to this were attempts at commemorating 11 November in front of the Tomb of the Unknown Soldier for several consecutive years--their own peculiar "protest marches" that were dispersed by the militia.

For several years now, the authorities and the press have been clearly returning to reminding us of the significance of 11 November. In my opinion, this fact should not be treated in political categories nor according to the constant revaluation of history once in this direction and then in the other. No! November 1918 has simply set in the awareness of Polish society in this and not another form. And this is the most important thing! The celebration of this national holiday and no other for a dozen or so years has imbedded this date into our national identity and the contention that on 6 November more important things occurred in Lublin than on 11 November in Warsaw has become unimportant. The sincere history of a nation, the one that is written into our hearts, does not always have to coincide with the results of forcing it open by professional historians. It should be accepted as a part of our awareness. Let us all do just this during the 70th anniversary.

3. Why am I writing about this now? Because in the work schedules of various venerable institutions and scientific organizations proposals of organizing sessions and conferences devoted to this anniversary are already appearing or will appear soon. The only thing is that a great majority of them are scheduled to take place in the fall of next year, therefore, in the immediate vicinity of the main celebrations.

And this is the principal reason for writing this column. Let us make it possible for the current state of knowledge and the approach to this date to be conveyed to our society considerably earlier so that the wise lecture papers of our scholars will not get lost in the excess that will occur at the beginning of November 1988 when the propaganda campaign will reach its peak. And so that there will be time to think them over calmly and not haphazardly. After all, this concerns the beginnings of the modern Polish state and also the genealogy of People's Poland!

9853/12851

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DETAILED DISCUSSION ON SELF-MANAGEMENT ISSUES BY

Olsztyn GAZETA OLSZTYNSKA in Polish 10 Feb 87 p

[Text] They came to the OZOS firm from 10 of the largest enterprises in the province. Similar meetings of representatives from workers' councils took place this day in several other Polish cities. They discussed implementation of the resolutions of the 3d PZPR Central Committee Plenum, difficulties which plants are tackling, economic reform, and which role worker self-management should play.

--The workers' council in the OZOS firm is already in its third term. The first was very stormy: the face of the council was taking shape, and we were seeking our place in the establishment, recalls president Wojciech Sobina. The second term saw a consolidation of position and elaborated conceptions, and the third must be a working term. We must take advantage of everything--good and evil--gained in these years of experiment. A program for developing the enterprise up to 1995 and for years afterward was worked out from the self-management initiative. The plans are ambitious: we want to initiate the production of radial rear tractor tires, which up until now we have not manufactured in Poland. We did not buy a license--our engineers designed the entire undertaking. We shall begin production of all-steel truck tires, modernize remaining divisions, and discontinue manufacture of obsolete diagonal tires.

What place for a workers' council is there in all this?--We want to create programs jointly, control their implementation, and participate in the implementation--said president Sobina. This is not wishful thinking--it is happening that way. We are of the opinion that the difficult part has to be seeing it through from planning to implementation. The council does not want to play an inspecting-investigating role, but to assist and to catch mistakes. We are seeing to this so that the plans would be concrete, but also mobilizing. There must be optimism in them--this evokes enthusiasm for work. Most difficult, though, is reshaping people's mentality. We would like to take care of this. We don't know how to do it, but we shall try.

The workers' council in the OZOS firm also decided to educate its members and economic staff. Help was requested from experts from the Polish economic Society professional circle, who will organize the training, but

who also will be providing daily assistance. Another goal is developing innovative attitudes in the work force, accelerating the introduction of scientific-technical and organizational progress into the establishment, and above all seeing to it that all fittings, machines, and each worker be properly utilized.

Reform—this word evoked the greatest emotion. One thought was common: clear, precise, and unchanging rules were called for in the economic game, for—as Jerzy Soltysiak from Warfama said—an enterprise is not a small workshop which can change production every year and can easily adapt to successive changes. Moreover, large or small, all establishments and their work forces need stabilizations and certainties, or ways out, which will be in force for a long time.

—We are not debating the subject of the stages of reform—it has been stated.—First or second, it's not important—we are bringing it into our lives in a consistent way. We are finished with adjustments, allocations, and contacts. The basics of the game must be fair and equal for all. Everyone also agreed with that opinion, but after a while statements such as these were made:

—The income tax is definitely too high—said Kazimierz Rogalski, president of the workers' council in WPHW. What can we use to build new shops and stores? Commercial units which want to invest should pay a lower tax. The system of financing reserves of spare parts in the service sector must also change. After all, we are giving up the production of certain articles, but we must, or rather should, continue to repair them. And in order to do this a suitable supply of spare parts is necessary. It would be too bad to throw out a television after 8 or 10 years simply for lack of a 200-zloty tube.

—Not all agricultural establishments have the same farming conditions—explained the leader of the workers' council in PPGR [Polish State Farm] Ostroda, Jozef Zmitrowicz. Some have better soils, other worse, and these latter ones always will have higher production costs. Therefore, they should somehow equalize expenses.

In a word: Equal rules for all, but there remain exceptions. In recent years there were only too many of them. So one can see that it is not easy to find a solution which would satisfy every enterprise. Adjusting the rules to the specifics of a line of business has been proposed, but such attempts too have already been made. There is no happy medium.

The workers' council representatives criticized the fact that salaries may increase by only 12 percent this year. They defined this move and those which may cause a slowdown in production as anti-encouraging. In any case—it was announced—establishments which will not be interested in the growth in production beyond the stated amount.

Mieczyslaw Wolencki from the District Meat Industry Enterprise and Janusz Arciszewski from the Provincial Grain-Milling Industry Enterprise called

for demonopolizing purchasing, and not only purchasing. Mieczyslaw Wolencki spoke of breaking up the monopoly on production and trade. OPPM wants to take over a network of butcher shops and several working canteens. They [OPPM] promise better supply. President Wolencki also criticized the monopoly on...recipes. The product should be tasty and properly made. The fact that it deviates from the centrally developed recipes does not mean that it is worse--he said. He also criticized the bureaucratized system of allocation in meat enterprises. He proposed introducing balanced prices on meat and meat products.

The presidents of the workers' councils also did not like the regulation which imposes an obligation on establishments employing graduates from trade schools to reimburse their educational costs (Warnis paid 7 million zloty and although it needs workers, its management is counting its money and is compelled to limit employment). Zenon Czuba from Farel criticized the distribution of raw materials and supplies.--The Ministry of Materials Administration formally exists, but what it does--I don't know. And so an allotment depends on some Ms. Krysia from the office, but we can discuss materials policy only theoretically.

The workers' council representatives appealed for the transfer of full, yet exact and clear information concerning their enterprises and lines of business (to put an end to the avalanche of paper) and for consultation with self-management bodies in important decisions and legal acts concerning the functioning of the entire economy.

--There is no difference between what is published and said on the subject of self-management bodies and what is thought and planned--said Andrzej Ostrowski from the PZPR Central Committee Socio-Trade Board. The party's actions are aimed toward strengthening the role and position of self-management bodies and assisting them in practice. The formulations here are synonymous. The proposition to call up self-management consulting councils, which would operate with constituent officials (ministers, provincial governors, presidents) and also within provincial national councils and PZPR provincial committees, may also be confirmation of this. This existence should induce--generally speaking--socialization of the management.

Andrzej Ostrowski presented the goals of the councils: among other things, they would give opinions on methods of implementing NPSG and CPR; they would consult on legal acts concerning worker self-management; they would be guardians of the laws and regulations concerning the functioning of enterprises and the economy; their existence would streamline the flow of information between constituent officials and enterprises...The councils should begin activity before the end of June 1987.

The proposition to call together consulting self-management councils provoked questions and doubts. The WPHW representative just said that they are unnecessary. Some wondered whether it would be a front or a convenient screen for the constituent officials. Whether this would occasion a slackening of responsibility or also prolong the decision-making

responsibility away from the constituent body, and that consultation with self-management bodies on certain moves would permit earlier rejection of fallacious conceptions and elaboration of the better ones.

Roman Hryciuk, director of the PZPR Provincial Committee Economic Board, said:—Above all we must answer the question whether consulting councils will strengthen worker self-management or not. If yes, their existence may be worthwhile.

Finally, a clear majority accepted the idea that the councils are necessary, but—as was stated—there must be wise people with experience on them.

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CSO: 2600/427

TERRITORIAL SELF-MANAGEMENT COOPERATION REVIEWED

Warsaw RZECZOSPOLITA in Polish 7-8 Mar 87 p 3

[Text] After the recent nationwide conference of chairmen of the commissions on self-management affairs in the voivodship people's councils (VPC) and the directors of VPC offices, the problem of the cooperation of organs of territorial self-management, as something which determines to a decisive degree the development of local self-management, again appeared in full force.

This form of cooperation is defined in the July 1983 law, nevertheless the development of a satisfactory system of cooperation between the people's councils--as organs of the authorities and the territorial self-management--and other forms of social self-management, is still a long way off. Furthermore, old habits and lack of confidence must be overcome.

The stakes involved are high: Cooperation is supposed to ensure--while respecting the principle of the equality of its participants--the comprehensive socioeconomic development of the local area and fuller satisfaction of the needs of the populace. These goals are achieved through further socialization of the method by which authority is exercised. What, then, has been the past experience?

First of all, the presence of positive tendencies aimed at establishing a uniform system of territorial self-management must be underscored. Attempts to establish broad cooperation with the workers' self-managements and trade unions are being continued with success. They are guided mainly by the intention to persuade enterprises to take part in work affecting the local area and to finance certain of its needs.

Meaningful achievements in cooperation also include joint searches by the councils and self-managements of the larger workplaces for new and better methods of consultation, particularly those which would not only verify the intentions but would also require active participation in the execution of the tasks accepted.

The councils are establishing increasingly closer contacts with the self-managements of cooperatives, who have an important place in implementing territorial socioeconomic plans. In the smaller communities they almost monopolize commerce and services and also inspire greater action in the area

of the organization of free time for residents and in the bringing of assistance to the elderly and disabled.

Cooperation also freely encompasses other forms of self-management and scientific communities and creators of culture, regional societies, youth and women's organizations and help to develop the best forms of understanding. Because of it, the local communities exert an increasing influence on planning work and the substance of decisions, and they also obtain greater access to the results of analyses and polls. In a word, they are beginning to make decisions on what is happening around them and what pertains to them.

The integration of the territorial self-management organizations is a continuous process which to an increasingly greater degree is beginning to sponsor commissions for self-management affairs in the voivodship people's councils. These commissions were assigned a basic role in developing a self-management style in the operations of the councils, although at the moment the scope and course of their work--given their still-differing degree of activeness and skill in making use of their lawful powers--are just beginning to be set. But many of them have already appointed working groups or subcommissions concerned with the problems of cooperation with particular forms of self-management and such facts deserve to be disseminated.

They strengthen the position of the councils and thus help to establish a self-management method of exercising authority.

9295

CSO: 2600/518

PUBLIC OPINION CENTER SURVEYS YOUTH POLITICAL ATTITUDES

Youth Organizations' Role Minimal

Warsaw ZYCIE WARSZAWY in Polish 9 Mar 87 p 3

[Unattributed report: "The Young on Politics: Very Critical But Also Very Tolerant"]

[Excerpts] Are the young interested in politics? What are their views on basic political questions? Surveys by the Public Opinion Research Center provide answers to these questions. Only 13 percent of the young declares that it is very interested in politics; 53 percent moderately interested; 33 percent slightly or not at all interested. The remainder declined to answer.

"If you want to find out the truth about some event in Poland, then what sources would you use?" In answer to this question 43 percent of the respondents indicated the press, radio, and television; 21 percent mentioned illegal publications and Western broadcasting services; and 21 percent, their parents. Smaller numbers mentioned youth activists, 12 percent; teachers, 12 percent; underground activists, 9 percent; friends, 8 percent.

To study the opinions of the young on the achievements of socialism in Poland, the survey used the criteria of gains and losses. Of the young respondents, 37 percent felt that socialism provides Poland with more gains than losses; 35 percent judged the gains and losses equal; 22 percent said the losses exceed the gains; the remainder declined to answer.

About 4 percent of the respondents took advantage of the opportunity to supplement their answers with their own independently formulated opinions. Here are a few of them: "If everything was done in the manner the socialist order commands, then there would be only gains. But in Poland they say one thing and do another." "It has provided gains for the workers and the small farmers, but not for the intelligentsia." "The basic ideas behind the order are good, only the people do not measure up to them."

The young, however, were very critical of the practice of political life, the adherence to the principles of the order. The realization of the principle of egalitarianism, understood as equal opportunity, aroused the most objections. In the opinion of more than 67 percent of the pupils surveyed, opportunity

depends on material situation. Nearly 61 percent of the young pointed to dependence of opportunity on party membership, 57 percent on social origin.

One of the symptoms of the acceptance of the political system is evaluation of the operation of the institutions important in public life. The respondents to the Research Center's survey most frequently approved of the Sejm (77 percent), of the church (70 percent), of the army (63 percent), and the government (63 percent). More than 28 percent of the respondents regarded the actions of the opposition positively.

The survey also investigated the young's religious attitudes. Nearly 45 percent showed great religious tolerance, stating that one's attitude toward religion is a purely personal matter and that views of others on that subject are totally indifferent. In response to the question of whether people with basically different attitudes toward faith can reach agreement, nearly 72 percent of the respondents said yes.

PZPR Daily On Church Role

Warsaw TRYBUNA LUDU in Polish 17 Mar 87 p 4

[Unattributed article: "The Young on Politics: The Fewest Answers, 'It's Hard to Say'"]

[Excerpts] Two-thirds of the young people in the highest classes of the secondary and vocational schools (66.1 percent to be exact) are very interested, interested, or moderately interested in politics. Relatively, the students of the basic vocational schools declared the least interest. These conclusions come from the report "The Young on Politics" prepared by the Public Opinion Research Center from data collected in 1986.

But does the declaration of little or no interest by 33.9 percent denote passivity. No. Only 3 to 4 percent responded "it is hard to say" to the survey questions.

What are the views of the young?

Most of the young (60 percent) answered yes to the question: Is it worth continuing to build socialism? Eleven percent took advantage of the opportunity to supplement their answers. (Positive answers with reservations were most frequent, "Yes, if it is genuine socialism"). Twenty-five percent said no.

The young were critical of the practice of political life. The execution of the principle of egalitarianism, understood as equal opportunity, drew the most criticism. In the opinion of the pupils, it depends on material situation (67 percent), party membership (61 percent), and social origin (57 percent). These convictions occur along with views that not all citizens are guaranteed a decent standard of living. Thus, the concern caused by the country's economic situation shows through.

In 1985-86 the group of pupils that believe citizens' freedom are not

guaranteed decreased by 10 percent, but they continued to speak of a lack of genuine influence by the citizens on the government.

Views of the country's reality surely influence evaluations of the institutions and organizations of importance in public life. The institutions that are widely approved by the young are: the Sejm, the church, the army, the government, the Patriotic Movement for National Rebirth, youth organizations, and the PZPR. All of these institutions were mentioned by more than 50 percent (the Sejm received the most, 77 percent).

The Sejm, government, and PZPR receive approval more frequently from the rural population, farmers' and workers' children who belong to youth organizations, than from the urban population of large cities, children of the intelligentsia who do not belong to youth organizations.

The actions of the church are approved more often by pupils of general secondary schools than by those in basic vocational schools.

Nearly half of the respondents also expressed the conviction that one's attitude toward religion is a completely private affair, and the view that people with basically different attitudes toward faith can agree was expressed by more than 73 percent. A fairly typical opinion: "The church is supposed to be a spiritual institution and occupy itself with the nation's spiritual matters and not attempt to gain authority or influence over the direction of the country."

The respondents had the right to indicate several information sources. It is worthwhile to examine the related responses. Exclusive use of the official forms was mentioned by 37 percent of the respondents.

This is only some of the data from the Research Center's report. The conclusions can vary, but two issues must be emphasized. In comparison with a few years ago, there have been deep, positive changes in young people's awareness. It is also certain that one must have time for the young: frank conversation, patient listening, discussion, and explanation. School meetings cannot suffice for everything, especially since only one-third of the young belong to youth organizations. Discussions must be pursued where the young gather to pursue their interests and must relate to the current situation. Leave no question unanswered.

In particular young pupils are only just forming their vision of the world. They must be helped; be patient and do not expect success at once. They must come to their own understandings and discover the truths which it seems have already been found. But they must discover them for themselves, with discrete friendly help from their mentors. Tact, patience, and time spent talking are decisive. May all party members have as much of these as possible.

13021
CSO: 2600/578

CATHOLIC COLUMNIST COMMENTS ON GLEMP 'PRAVDA' INTERVIEW

Katowice GOSC NIEDZIELNY in Polish No 8, 22 Feb 87 pp 1, 7

[Text] Moscow's weekly LITERATURNAYA GAZETA, No 6/78 published an interview with Jozef Glemp, Primate of Poland, head of the Catholic Church in Poland, member of the sacred college of cardinals.

Poland's and the entire world's believers considered this to be an important, historic event. This is the first time in the history of Soviet mass media that the integral text is published of an interview with the head of the Catholic Church that, beyond discussion, and as verified in not the best of its years, is in the closest way connected with the Holy See.

Following its publication, this aspect of the matter was being stressed by all periodical and press agency columnists all over the world. It has been recognized that by the interview, the far reaching changes were illustrated that have within a short time occurred in the Soviet information policies. It may also mean that what is going on in the neighbor country linked with Poland by various special bonds is to watched with growing interest.

In the interview, the Primate of Poland said: "It seems to me that thinking may be either correct or erroneous. If erroneous, it means that reality is incorrectly evaluated; if correctly--it shows reality the way it is. When a nation maintains its relations with another one, it should know all the truth about that other nation. However, it sometimes happens that only one side of the truth is shown by propaganda. Hence, I think that full, true information is of utmost importance. It is via truth that we are reaching mutual understanding, and here we are approaching universal peace"

Between countries in adjacent territories, this also means the knowledge of what brings us together, and the elimination of what is dividing us. The truth on the role played in our country by the church and the faithful also means perception and understanding of our attachment to fundamental principles and of our will to build the existence of our nation and state on such foundations. And this will serve not ourselves alone but Europe as well.

It is never impossible to enrich best inter-governmental relations by means of best international ones. In Poland, there is no significant social group to nourish any doubts as to the place on the planet where our fatherland is situated or to the importance of good neighbor agreements at one and the same legal level. Both in the old and the latest history of Poland's relations with Russia and then with the Soviet Union—there have been difficult moments that must be clarified in order to reach the pure truth about such relations. Whatever remains unexplained results in layers of misunderstanding that we wish to eliminate. [—] [Article 2 para. 3 of the law of 31 July 1981 on the control of publications and spectacles (Official Gazette No 20, entry 99) as changed in 1983 (Official Gazette No 44, entry 204)]. To speak not in order to exacerbate old wounds but to heal and close them.

This belongs to history. Today, awareness of the weight of the future must predominate.

The Soviet reporter who was granted the interview by the Primate of Poland seems today better to understand Poland's specificity. This was another fact commented all over the world. In his comprehensive, interesting preamble, Leonid Panchivalov is using the expression "the rampart of Catholicism" to define the weight of the Catholic Church in Poland. He states that the strength of the Catholic Church in Poland is a fact that must be taken into consideration. Incidentally, in a way I find hard to understand, the interview as reprinted by ZYCIE WARSZAWY was published without the preamble being mentioned. And it deserved to be presented to the reader in Poland because it illustrated the tremendous changes in the information policies in the USSR...

There is a specific situation in Poland. For the last 40 years, the Catholic Church has lived and developed in a country of a new social system. Whatever way one may look at it, believers are under arduous conditions building the existence of their nation. Believers are to be found in the communist party as well. And—also significant—at the occasion of the interview, such circumstances, and the reconciliation of apparent contradictions have been perceived by the Soviet reporter. By all this, one is compelled to stop and think—what next? For instance, does it not mean a successive problem for state life ideologists: to re-analyze the former doctrinal assumptions of the role played by religion in the life of modern societies? The cause of peace was the fundamental theme of the Primate's interview. In today's divided world, the superpowers are accountable for the arms race. To an average earthling, it is quite indifferent how, by whom and by means of what weapons he will be killed or overkilled. Hence, the Primate's idea to arrest the armaments at their current level, high enough to annihilate life on earth, and then to start lowering it.

World peace can be constructed on a variety of foundations. Today, I am writing about the platform of neighbors' better understanding through the true information image of their nations. In its own opinions, no nation is a monolith; the love of democracy and pluralism is a specific feature

of our own nation. The bonds are especially strong between ourselves and the Catholic Church in Poland forming part of the Universal Church with Vatican for its capital. We are particularly interested in fulfilling the right of our church to its own existence. When other nations understand this aspect of the "Polish soul", they are favoring our understanding them. The construction of a peaceful image of the world is much easier on the foundation of neighbors' mutual comprehension. The "Pole-Catholic" notion has a depth of its own.

Commentators are referring to Vatican's "Ostpolitik" and, in this context, evaluating the Primate's interview. It is wellknown that the Catholic Church in Poland shall never do anything to the detriment of Universal Church. The idea is improper in itself. Therefore, I would speak of another "matchless policy" i. e. of the permanent purpose of the Universal Church: to lead people to salvation. Such aim is to be found all over the world wherever Catholics are living. Catholics in the USSR who are entitled to unfettered practice of their religion have been given the opportunity to read the words uttered by the Poles' spiritual leader. They know best what they mean to them--perhaps we are even unable to evaluate it. And I consider this aspect of the interview to be of the utmost importance. I do not think this to be the last event of its kind. For the world is changing, and shrinking. There are no limits to the information on the actual state of nations' opinions.

Slawomir Siwek

5174/9190

CSO: 2600/433

READERS RESPOND TO CRITICISM OF CHURCH FINANCES

Warsaw POLITYKA in Polish No 3, 21 Feb 87 p 5

[Text] The undersigned is a typical Polish parish priest whose monthly earnings should, according to the author of the article, exceed 165,000 zloty, for the population of his parish is close to 15,000. In point of fact, he is earning just one-tenth as much.

To my mind, J. Wislocki (POLITYKA No 1) has been factually wrong on four counts:

He made use of a common denominator for all Polish dioceses. However, the financial status of Polish priests is affected by numerous factors such as various religious traditions, the wealth of their flocks, the differentiated practices in the priests' religious activities etc. I suppose that the author is aware that along Poland's Northwest border (Gorzow, Szczecin, Koszalin, Olsztyn dioceses), in many parishes where state farm workers account for the majority of population, priests are almost never asked to celebrate the Mass.

Offerings in connection with religious services are handed over to the priest but he has to share them with the organist and the sexton, and to contribute a suitable proportion to the parish fund to cover the cost of electricity, flowers, candles etc. Up to the time of sacerdotal remuneration reform (more on that below), in our Opole diocese the celebrant could keep for himself 60 percent of the contributions received, if that.

The author has failed to state that by virtue of the new Canon Law Code, canon 534, it is the parish priest's duty to celebrate the Mass for his parishioners free of charge every Sunday and holiday, e. g. in the last month of the year, there are Masses celebrated on four Sundays as well as 8, 25 and 26 December, i. e. seven Masses. In our own diocese, the year's last Mass is celebrated on New Year's Eve. Total for the month: eight. I would list the principal matters left unsaid by the article under discussion: at present, the overwhelming majority of Roman Catholic clergy in Poland (except for a minor group of "Caritas"-related priests) are not covered by social security. Back in 1981, we were making efforts to compel the social security to provide such cover but the dues paid by the clerics were soon returned with a note reading "priests are performing

their duties not because they exercise a profession or trade but because they are following their vocation" Top marks for the knowledge of divinity! This means that for every day at some hospital, the priest must pay 2,000 zloty, and 3,000 zloty for every day at a clinic without 100 percent of the price of drugs being included in such amounts. I know priests who had to spend 250,000 zloty for their stay at a clinic in addition to expenses in connection with visits to physicians' private offices.

I take this opportunity to add that many priests are also working as unpaid chaplains at hospitals, penitentiaries, reformatories etc. In this connection, there is the extra trouble of obtaining gasoline for the purpose of getting there. Here, for instance, at the middle of my backyard, there is my "Fiat-125" that had know service (it was purchased for foreign currency, gained substituting during vacations for priests in the countries of so-called II space). As our hospital includes a 24-hour ward, and there is a 'phone call, the priest who happens to be free jumps into his automobile and rushes to the hospital. In these conditions, the 36-liter monthly gasoline allowance is hardly enough for a week, and the remainder must be finagled somehow. In theory, there are chances of obtaining extra gas supplies through the voivodship office department for religious affairs but here the stick-and-carrot method reigns supreme. Some priests without additional transportation needs are supplied with an extra up to 60 liters a month while others, frequently driving on duty do not get a drop. Not long ago, I was told by one of the local dignitaries: "36 liters a month are quite enough. Besides, my 'Polonez' is resting all the time for I have my office car"

Hence, how much do I make a month: Unlike the author of the article, i. e. without generalizing, I just wish to present the situation obtaining in our Opole diocese which accounts for a sizable proportion of Polish clergy: 733 priests and 251 monks = 984.

Starting in 1977, when our diocese was taken over by Deputy Bishop Nossol, the financial status of our clergy has gradually been regulated. As early as 1977--and meeting suggestions voiced by many priests--Bishop Nossol encouraged all parish priests to forego the collection of Christmas boxes. A few years later, this has become a disposition. At present, in November of every year, the Bishop just reminds us that in our diocese, no Christmas offerings are to be accepted. In other words, this represents further costs to be borne by the priests or the parish fund because every household visited receives the gift of a picture, a folder or another keepsake.

The next step consisted in equal salaries for all the diocese vicars, a raise being every year decided by the sacerdotal council. At present, a diocese vicar is paid 12,000 zloty a month. Retired priests who can still celebrate Mass (and so can make some extra money) are paid 9,000 zloty a month. Parish priests earn as a rule 150 percent of a vicar's salary, i. e. 18,000 zloty a month. In addition, priests often enjoy free board and lodgings paid for by the parish fund. Our salaries are subject to the so-called seminaristicum payable to the diocesan curia together with the

grant-and-retirement fund (about 1,000 zloty a month) and to state taxes (1,660 zloty a month, and so 9.2 percent and not 0.5 percent as stated by the author of the article).

If the author is interested in the amounts charged for religious services, here they are: Mass, 500 zloty on the average (there are higher and lower charges, and sometimes people forget to leave any offerings after the Mass has been celebrated). In December, there have been 14 christenings in our parish. The parents of four children offered 2,000, 1,000 and, in two cases, 500 zloty each, totaling 4,000 zloty. Following the ceremony, ten parents said: God will pay. There have been six weddings. Three couples paid 5,000, 2,000 and 1,500 = 8,500 zloty. Not a penny has been paid by three couples. The organist and the sexton were remunerated by the parish fund.

There have been ten funerals in December. Here, the offerings were more substantial: two brought 5,000 zloty each, three--3,000, and two--2,000 zloty each. Total: 23,000 zloty. All that money was paid into the parish fund, and none went to the priest's wallet.

Certificates of baptism are free of charge. The consecration of garages or of land lots is unknown here. The custom of "pro memoriam" offerings is now disappearing. The money thus received pays for Masses celebrated in November and in the following months. [The author's name and address known to the board of editors]

Also Catholics are at present whispering about the remuneration of priests even though the clergymen are now so self-assured that they do not bother to conceal their wealth.

Three years ago, I wanted a so-called Gregorian Mass to be celebrated at Poznan's Dominical cloister for the soul of a late friend. It was to be celebrated for 30 successive days. The monk explained that as there were many people who ordered such Masses, it could solely be celebrated forming part of a collective ceremony. As however there were several intentions for every Mass, the cleric would not mention each of them at the altar. My conclusion was that there were not two, three or even five intentions for these could be read out loud but even as many as ten. When asked about the relevant fee, the monk told me: between 10,000 and 15,000 zloty adding however that the majority of people contributed 15,000. This horrified me, and I was feeling hell fires rather than hearing heavenly choirs. Back in 1982, such amounts were equal to the average monthly salary, and 15,000--even to an exceptionally good one. Priests are using their authority to take advantage of people's unpaid work, in villages and small towns in particular. Once at Mass in a mountain village, I heard the priest call by name the people who had to report for work at church the following week and, also by name, those who had failed to report on the previous days. He sternly rebuked them.

The "nothing for free" principle is also being followed by the hospital chaplains who are drawing hospital salaries. Two or 3 years after their studies, vicars may be seen driving fine automobiles--please let me see even one man in Poland who, 2 years after graduating can afford to buy a car and to pay for it out of his salary.

[The author's name and address known to the board of editors]

In my rural parish, a mirror image of Mr Wysocki's average one, the priest is using a pushbike to go from the parsonage to the church. To reach churches he serves in neighboring villages, he is offered a lift by parishioners or by his vicar, the owner of a "Fiat-1500", a good few years old. The priest may be seen in a well-worn cassock, and does not look opulent at all. May be there are precious antiques at the rectory, just like those of Father Jankowski--that I do not know but if not, he probably is using high denomination bills for wallpaper.

The matter is similar regarding urban parish priests. If they own automobiles, these are most frequently compacts; there are, of course, some good Western brands but these are few and far between. Taking into consideration that parish priests do not have to feed numerous families or invest in real estate or in jewelry, what are they doing with all their money, that is the question.

Generally speaking, one might ask: the income of a parish priest and of the church, whose business is it? Unless the government intends to tax priests or cares about their actual income, then, to be polite, discussing all that matter by non-Catholics or by people and agencies unrelated with the church is just tactless. M. Zielinski, Lagow

(1) Why does Professor Dr J. Wislocki trust the church figures concerning the number of believers? It is significant that the counting of church money is the only case in which a Marxist agrees with the Catholics who affirm that in Poland, Roman Catholicism is the religion of over 90 percent of the population. Is it not the author's excessive materialism?

(2) In preparing the index of the parish priests' average personal incomes, the author (in the chapter on "the amount of charges broken down by particular religious services") based himself on data taken from limbo. From the text of the article:

"Also well-known, the customary amount of charges for religious and administrative services making up the parish priests' personal income" May I ask: known from what sources? Has any research been carried out by the Professor? What was it? There is not a word about it in his text.

The article's theses to the effect that a parish priest's personal income is reaching 2,000,000 zloty p. a. just do not hold water. The author (correctly) assumes that there were in Poland 7,715 parishes, each accounting for 4,500 believers approximately. However, he [quite erroneously] assumes that in each of these parishes the priest is just by himself, so he alone is "pocketing the entire kitty". I do not think the author is unaware that (thank God) there are over 20,000 (twenty thousand) priests in Poland and that--reasoning correctly--, there are about three of them in each of these parishes. Hence, the parish priest can not use all this money to meet his own needs--he must share it with the average number of two vicars. From the two million zloty per person p. a., this boils down to about 600,000 per parish priest per month. And the parish priest has, as a rule, to pay his housekeeper, keeps up the church and the rectory (well, what about the heating?) etc. etc. Marek Andrzejewski, Puszczykowo

I am not going to discuss whether the figures you considered average are too high or not for such monies may be quite differentiated according to the area, and to the priest. I just know that in our Saint James's parish in Olsztyn they are much lower. I do not know how you arrived at the amount of 100,000 zloty for consecrating automobiles and apartments (how many motor vehicles and apartments people would have to own in a village with a population of 4,500?). In Olsztyn, automobiles are blessed free of charge during the pilgrimage to Gierzwald (second Sunday in September). Nor is any money collected in our parish for Christmas offerings (perhaps this is the only case in Poland).

Nor was the count fair regarding the tray. It is shown by church statistics that Masses are on the average attended by no more than 1/3 of the parishioners. Money is placed on the tray not by individuals but by families. When there is a fund drive for Lublin Catholic University, for seminaries or for retreats, these Sundays must be deducted. Thus, out of the year's about 62 Sundays and holidays, there remain 50 Sundays, if that. Hence, at the statistical parish, the annual income from the tray amounts to the maximum of 5,000 families x 50 Sundays x 50 zloty = 1,250,000 zloty. This is not a lot if one counts the heating, electricity, the overhaul of the church and of the catechesis halls, the expenditures in connection with the curia and the seminaries, and the upkeep of the cemetery (in rural parishes).

Since 1969 when I have settled in Olsztyn, a lot has changed at our cathedral: all benches have been replaced, a new marble floor laid, electricity and loudspeaker installations renewed, new stained glass windows put in, more than ten historical pictures refurbished, altars restored or new ones built. How many government workers would have to be employed to do all that? Would you be able to compute that? And all this has been singlehandedly done by just one man.

Signature: illegible.

5174/9190

CSO: 2600/433

NEW 'NATIONAL MATURITY' ENVISIONED

Czestochowa NIEDZIELA in Polish No 8, 22 Feb 87 p 8

[Article by L.D.: "What Are We Like?"]

[Text] Remarks summing up the survey entitled "What Are We Like?" conducted by the Gdansk biweekly, GWIAZDA MORZA, were published in its 3/87 issue. These are the voices of a priest, Father Jan Palyga, and of a philosopher, Wojciech Chudy.

On the basis of the analyzed survey opinions, Father Jan Palyga writes: "That which is striking even when reading the first texts is the conviction of those responding to the survey that the church is a great moral authority, the mainstay of basic human values, and a lasting and credible institution. The respondents claim that the church has been and is strongly tied to the people of Poland and constitutes a reality where an individual may find his or her human dignity and longings, of which were not always fully aware, for truth, goodness, God and all that which fascinates us in the Gospel."

Wojciech Chudy classifies the material collected by GWIAZDA MORZA according to three historical perspectives: according to the perspective of "great" history--historical events from the very beginning of Gdansk; according to the perspective of the most recent events; and according to the perspective of Gdansk and the coastal region of Poland. He states:

"The coastal region of Poland is like Poland. Historical upheavals did not overlook Gdansk. In shaping the life and awareness of Poles, the dates that have arranged themselves around Polish hopes and disappointments--1956, 1968, 1970, 1976, 1978, 1979, 1980, 1981 and 1983--also influenced the formation of the typical inhabitant of Gdansk. This perspective reveals the cohesiveness of Gdansk with the rest of the country--the life of Gdansk residents identifying itself with the life, beliefs, and hardships of the entire nation. In overlapping with the self-portrait of Gdansk to perhaps even a decisive degree, it [this perspective] describes the specificity of the picture to a lesser extent."

In analyzing the third historical perspective, W. Chudy concentrates on decisive events which occurred in the coastal region in 1970 and 1980 and which had an impact on the countenance of all of Poland. "(...) August has become a point

that not only reinterprets the past historical events of Gdansk, Poland and even of more universal dimensions but also one that marks new vectors of historical assessment in terms of future prospects.

"Both August and its December antithesis of 1981 prompt us to search for an Aristotelian (or rather Hegelian) 'means' in our description, assessment, attitude and predictions. However, one thing appears to be certain. 'We are different,' writes Prof A. Polanska. 'We have entered a new avenue of Gdansk-like unity,' writes Z. Zakowicz. 'We are halfway on the road to attaining a new maturity as a nation,' writes A. Rybicki, another survey participant, who looks at all Poles through Gdansk.

"The period begun in Poland's coastal region, which Ryszard Kapuscinski has called 'the celebration of raised heads and loudly expressed words,' has radiated throughout the entire country. The effects of this period can be felt until today. The frankness of truth and the boldness of the demands of this frankness are constantly present from the August days and although it is difficult to compare that period with today, the same outline of the portrait has, after all, remained in effect. Apathy and despondency, the lack of illusions and fatigue, which are also the new features of this portrait sharply outlining the face represented in it, should not dominate the said character."

The people of the Polish seacoast are the initiators of a new kind of social existence in Poland. "Individuals with complicated meanders of their fate whose personality already embodies the traits flowing from the genius loci of the coastal region--a land open to the sea. Traits such as openness to the world and to others, tolerance and at the same time, stubbornness and perseverance in the defense of one's own causes as well as radicalness in setting them. It took the convergence of the lines of historical events to have this model of a 'man of the north' appear clearly in our culture. However, it is also necessary that this type of individual not be sporadic and not be only a beautiful exception in the crowd ('I sincerely recommend to everyone,' writes G. Kurkiewicz, 'that they take a look at themselves in this mirror of change.'). It is necessary, finally, that this 'Gdansk-like individual' manifest himself in everyday life, at work, in his relationship with others, and in family life. What is needed is that time when 'this Gdansk exceptionalness' appears in Poland in a more common light of historical development' (B. Fac). This is still a future matter."

On this basis and taking into account the fact of historical turning-points, in which we constantly find ourselves, W. Chudy poses the following question: "What should we be like?--We: in Gdansk, in the coastal region, in Poland.

9853/12851
CSO: 2600/488

NATIONALISM OF OPPOSITION GROUP DERIDED

Warsaw TRYBUNA LUDU in Polish 27 Feb 87 p 7

[Text] The interview that was given by Leszek Moczulski to the West Berlin newspaper, BERLINER MORGENPOST, once again reveals and confirms the very specific trend of thought and of political activity, the so-called Polish opposition.

Let us overlook here the reasoning of this antisocialist activist regarding Polish internal affairs which boil down to the wisdom that "we must return to a private economy." This is not of concern to us this time. This specific trend concerns the German issue and the territorial status quo in the center of Europe.

In this respect when Moczulski was asked by the West Berlin journalist what the stand is of his "KPM" [confederation for an Independent Poland] toward the division of Germany, he clearly answered that "this is a terrible misfortune" basing his assessment on Poland's historical experience with partitioning. Therefore, he supported not only the "unification" postulate by which the West German revisionism understands the doing away with the GDR and the seizure of Polish western territories. Moreover, he has adopted a well-known argumentative falsehood of revanchists from the FRG: the division of Germany following World War II is being compared by them to the partitioning of Poland while forgetting one small matter and that is that the outcome of the partitioning was not the creation of three Polish states but the obliteration of the Republic from the map of Europe. The arguments presented by Moczulski have become, so to say, rounded off by the now nearly obligatory references by individuals of his sort to the West German socialist-democratic party with regard for its realism in the treatment of relations with Eastern Europe. These gentlemen are unequivocally looking for partners in the FRG on the right side of that country's political scene which is hostile to Poland.

Unfortunately, Moczulski's interview is neither the first nor the only manifestation of the wooing of the West German Right by certain known circles. The palette of examples is broad. It spans from the overtly traitorous "program" in a small Paris paper, KONTAKT, published by the so-called new emigration which simply accepts the revanchist stands with regard to the issue of the Polish western border, across the well-known, more sublime but also outrageous remarks of Lipski all the way to other, controversial, in the least,

voices (e.g. Bartoszewski). Despite differences in the content and tone, all of these voices are an obvious attempt at breaking off or gnawing off the perhaps most unquestioned element of the national consensus of Poles: the stand on the issue of the western border or more broadly--the infrangibility of the territorial status quo in Europe.

Let us return for yet a moment to Moczulski. He and his "confederates" were considered a so-called nationalistic wing of antisocialist groups. However, whatever bad may be said about nationalism and about the historical variants of this bourgeois ideology on the Polish soil, the latter could not have been accused of one thing: groveling before German expansionism. On this basis and in the light of the cited remarks, the "nationalism" of today's galvanizers appears to be only one of the wrappings for the dreams or actions whose essence is aimed against the socialist regime in Poland. Support for such activity is sought abroad everywhere possible, even if it were to be necessary to pay for it with "understanding" for trends that threaten Polish national interests--this time, the most authentic trends of West German nationalists.

9853/12851

CSO: 2600/488

BRIEFS

GOVERNOR, BISHOP MEET--Stanislaw Nowak, Tarnow Province Governor met yesterday with Dr Jerzy Ablewicz, Tarnow diocese bishop ordinary. They discussed the practical aspect of Pope John Paul II's visit to Poland and to Tarnow City. It has been stated that such preparations called for major efforts aimed at a worthy reception to be extended to the great Pole by the city and voivodship population. This will be ensured by mutual working contacts. Also discussed: current matters within the framework of the relations between the voivodship administrative authorities and Tarnow diocese curia. The meeting was also attended by Prelate Wazimierz Kos, and by Franciszek Styczen, director of Tarnow Voivodship department of religious affairs. [Text] [Krakow DZIENNIK POLSKI in Polish 20 Feb 87 p 2] 5174/9190

ENVIRONMENTAL PROTECTION REPORT--On 20 January, the report on the protection of environment and on the current activities in this field was discussed by the Sejm socio-economic council. In the government daily RZECZPOSPOLITA, it was the subject of a front page article with its boldface title reading: "We must all of us protect the environment. Government activities as evaluated by the socio-economic council" One may learn a lot from the comprehensive article, however one fails to see what such an evaluation was like. The mystery was unveiled by Irena Jacyna quoting in ZYCIE WARSZAWY excerpts from the resolution passed by the council: "It is stressed by the council that the state of the environment can be improved by means of suitable protection strategy being worked out and selected, and of its consistent implementation...In the documents presented, there is no information on the existence of such strategy. Considering that solely full and objective information on the state of environment protection in Poland and on its conditions will make it possible to correctly evaluate the effectiveness of relevant government activities, the socio-economic council is voicing its negative opinion regarding the documents presented, and moves that the report be rejected by the Sejm. In this connection, the council deems it purposeful to have another report prepared, the remarks of the council evaluation being taken into consideration" It would seem that RZECZPOSPOLITA is following the principle of publishing full information as long as it abstains from criticizing the government. [Text] [Czestochowa NIEDZIELA in Polish No 5, 1 Feb 87 p 3] 5174/9190

PZPR CC DELEGATION IN BUDAPEST -- (PAP) Ernest Klucza, the director of the Foreign Division of the KC [Central Committee] PZPR, visited Hungary during 18 and 19 March on invitation from the Central Committee WSPR [Hungarian Socialist Workers' Party]. He engaged in talks with Geza Kotai, the director of the Foreign Division in the KC WSPR. He was received by Miklos Ovari, a Political Bureau member, and secretary in the KC WSPR. During the talks information was exchanged on the realization of the resolutions from the 10th PZPR Congress and the 13th WSPR Congress. Views were exchanged on the current problems in international politics, the International Communist and Workers' Movement, and the cooperation between the two friendly parties. [Text] [Warsaw TRYBUNA LUDU in Polish 20 Mar 87 p 6] 12411

NEW PZPR SECRETARY IN CHELM -- The tasks facing the provincial party organization in speeding quantitative changes in the economy in the light of the resolutions from the 3rd Plenum of the KC [Central Committee] PZPR were the subject of the KW [Provincial Committee] Plenum on 10 February in Chelm. Taking part in the meeting was Jozef Baryla, member of the Political Bureau and KC PZPR secretary. The Plenum accepted the resignation of Alojzy Zieliński from the position of 1st secretary KW PZPR due to his acceptance of a position as director of the Internal Party Management Division KC PZPR. The plenum chose Stefan Lyczak, aged 51, to fill the position of 1st secretary KW PZPR. [Text] [Olsztyn GAZETA OLSZTYNSKA in Polish 11 Feb 87 p 2] 12411

MEDIA PZPR ORGANIZATIONS MEETING -- On 18 March the Central Committee PZPR held a meeting of first secretaries from the basic party organizations in press editorial staff, radio, and television from across the country. The meeting was devoted to the discussion of the role of these echelons and their communities in the preparations for the 4th Plenum KC [Central Committee] PZPR. The evaluation of past press meetings with the POP [Basic Part Organizations], the method and style in publicity activities was done by Jozef Barecki, the director of the Propaganda Division KC. Participants in the discussion were: Ignacy Golik (EXPRESS WIECZORNY [Evening Express]), Jacek Dubiel (TRYBUNA ROBOTNICZA [Workers' Tribune]), Witold Juchniewicz (TRYBUNA ROBOTNICZA), Zbigniew Mikolajczyk (ZYCIE GOSPODARCZE [Economic Life]), Leszek Howarth (OR/TV Krakow), Slawomir Szotaski (GAZETA ROBOTNICZA [Workers' Gazette]), Jerzy Pilichowski (GLOS ROBOTNICZY [Workers' Voice]), Jerzy Bockowski and Roman Dankowiakowski (PR i TV [Polish Radio and Television]), Dariusz Wiecek (OR/TV Szczecin), and Andrzej Gruszczyński (OR/TV Katowice). The discussion was summed up by Jan Glowczyk, member of the Political Bureau and KC secretary. [Text] [Warsaw TRYBUNA LUDU in Polish 19 Mar 87 p 3] 12411

PARTY PHILOSOPHY GROUP MEETS -- On 18 March there was a meeting of the party philosophers' group attached to the Division for Learning, Education and Scientific-Technical Progress KC [Central Committee] PZPR. In inaugurating the next term of activity the assignments and directions of the group were discussed, as well as some of the problems facing the philosophers' community in Poland, among this the problems involved in organizing the 5th Congress of Polish Philosophy. The discussions were led by prof Seweryn Dziński. [Text] [Warsaw TRYBUNA LUDU in Polish 19 Mar 87 p 3] 12411

KATOWICE PZPR GROUP IN CZECHOSLOVAKIA -- Prague. (PAP [Polish Press Agency]) Answering the invitation of the Regional Committee KPCz [Communist Party of Czechoslovakia] an official delegation from the Katowice Province led by Boguslaw Ferensztajn, the substitute KC [Central Committee] Political Bureau member and 1st Secretary KW [Provincial Committee] in Katowice, arrived on Thursday in Ostrava for a three day visit. The delegation's visit is connected to the observance of the 40 year anniversary of signing the Friendship and Mutual Help Pact between Poland and Czechoslovakia. The delegation placed flower wreaths at the foot of the monument dedicated to the victims of fascism in Zywotice. In the afternoon the official annual ceremony took place at the theatre in Ostrava during which the effects of the current cooperation between Poland and Czechoslovakia were summarized. Among those present was Vaclav Vaclavik, the 1st Secretary of the Northern Moravia Regional Committee KPCz. [Text] [Warsaw TRYBUNA LUDU in Polish 20 Mar 87 p 6] 12411

PZPR SEMINAR FOR ENTERPRISE SECRETARIES--On 5-8 January a seminar for 1st secretaries of PZPR plant committees from 208 work places included in the direct interest of the Central Committee met in the PZPR Central Committee center for party courses in Warsaw. The seminar was devoted to discussion of the tasks of plant party organizations after the 10th Congress and implementation of the resolutions of the 3d PZPR Central Committee Plenum. Information on the current sociopolitical and economic situation was presented, as well as notions for party work resulting from them. Meeting with seminar participants were members of the Political Office: PZPR Central Committee secretaries Jozef Baryla and Marian Wozniak and OPZZ president Alfred Miodowicz, Central Committee division leaders, and ministers and vice-ministers of economic departments. [Text] [Warsaw TRYBUNA LUDU in Polish 9 Jan 87 p 9] 13324/9190

'WISLA-ODRA' SOCIETY ANNIVERSARY--PZPR Central Committee secretary Henryk Bednarski met with the leadership of the "Wisla-Odra" Society's Main Directorate on 8 January. The president of the society, deputy Edmund Meclewski, reported on the directions of work and problems of the society, and the chairman of the Program Council, deputy Kazimierz Secomski, presented a program on council activities. During the meeting, implementation of the program adopted at the 1st "Wisla-Odra" Society meeting in January 1986 was discussed, with emphasis on respectable achievements, and the need for further development of activities, especially of "Piast University" within the framework of the "Zamojska Academy," was discussed. It was pointed out in the discussion that active development of various aspects of public education must contribute to the integration of social environments and the shaping of committed attitudes, especially in young generations. The head of the PZPR Central Committee Ideological Office, Wladyslaw Loranc, participated in the meeting. [Text] [Warsaw TRYBUNA LUDU in Polish 9 Jan 87 p 9] 13324/9190

2600/427

COMBAT AIRCRAFT MANEUVERABILITY FACTORS DISCUSSED

East Berlin MILITAERTECHNIK in German No 2, 1987 (signed to press 9 Jan 87) pp 93-96

[Article by Col Prof Dr S. Meindl, engineer: "Maneuverability Characteristics of Combat Aircraft--A New Approach to Analysis

[Text] This article presents new insights into the assessment of combat aircraft maneuverability. Aside from determining the precise value of many maneuverability parameters, a methodology is introduced for a comparative analysis to aid in the preparations and planning of air combat. This article addresses all those concerned with aerodynamics problems and the dynamics of flying modern aircraft, particularly since the textbook "Praktische Aerodynamik fuer Flugzeuge mit Strahltriebwerken" [Practical Aerodynamics for Aircraft With Jet Engines], published in 1976 by the GDR Military Publishing House, does not entirely reflect the current state of the art in theory or practice.

1. Analysis of maneuverability factors--essential for evaluating combat characteristics of combat aircraft.

Even today a specific position in relation to the target must first be assumed when committing most instruments of destruction. This has been demonstrated in practice by combat operations in the Near East and the Falkland conflict, which confirmed that the faster this position can be assumed relative to distance and tracking angle, the higher is the probability of destroying the target. Indeed, the maneuver has not lost its importance for aerial combat.

The opportunities for carrying out maneuvers are significantly affected by maneuverability characteristics of combat aircraft. Aside from sighting and kill medium parameters, maneuverability factors still remain important prerequisites for assessing combat characteristics despite the improved parameters of air-to-air missiles ("Magic," AIM 120 and others). Although superiority in maneuverability characteristics does not automatically impart superiority in air combat--the pilot must be familiar with them and use them to advantage--it still remains an essential perquisite for combat superiority. Consequently, a comparative analysis of maneuverability attributes is extremely important ^{1,2}.

Maneuverability factors are characterized by various parameters. They can be used to compare maneuverability characteristics of different combat aircraft, with different configurations and fuel reserves, and to draw conclusions particularly with regard to their performance in air combat maneuvers. The determination (calculation) of parameters of maneuverability factors is critical for this purpose since it is a prerequisite for a comparative analysis of maneuverability properties and, consequently, of their combat potential.

Although most textbooks on aerodynamics/flight dynamics--³ for instance--do first define the parameters of maneuverability precisely, they subsequently engage in simplifications which may lead to imprecise and even false statements during a comparative analysis of maneuverability factors and of critical flight conditions. A precise definition of all parameters and a description of the methodology employed is, therefore, essential. The new approach consists of:

--Comparing generalized maneuverability factors $n_x = f(n_y, M, H = \text{const})$ for different (probable) configuration variables, taking into consideration the permissible load coefficients n_{max} , permissible as a function of flying weight or fuel reserves;

--Inclusion of the thrust components F_{sx} and F_{sy} , which proves necessary for calculating n_x and n_y because of increased angles of attack and the constantly rising thrust-weight ratio; and also

--Inclusion of the polar coefficient B not only as a function of M , but also of C_A , particularly with regard to engagement maneuvers.

2. Parameters of maneuverability factors and their determination The most general parameter of maneuverability factors is the value dv/dt , i.e. the change of the velocity vector of the combat aircraft in time (total acceleration), in relation to the fixed ground coordinate system. It can be described by using a system of differential equations for the movement of the aircraft, including movement around its axes, if the law of control (deflection of control surfaces as a function of time) is known. This allows the determination of all parameters of movement and of the flight path. The integration can, however, only be performed with computers.

Ostoslawski and Gorbatenko in ^{4,5} describe the flight path equations completely and precisely. However, simplifications are customary and justified for practical purposes if they are specifically explained. Some textbooks, such as ³, violate this rule and lead the reader to misconceptions (and misapplication).

What are some of the major simplifications?

It is assumed that the sum of all moments around the aircraft axes is equal to zero, meaning that $M_{x1} = M_{y1} = M_{z1} = 0$. In other words, the movement of the aircraft around its axes is not taken into consideration. The question of how the aircraft has reached its present state is neglected. This procedure is not objectionable when assessing or comparing maneuverability factors if it

can be assumed that the aircraft's angular velocities around its axes are sufficiently large in relation to a change in the parameter of the path. (This means that the response of the aircraft to control movements is significantly faster than the change of the parameter of the path.)

This condition applies to almost the entire height-velocity range. One exception occurs when a flight approaches minimum speed. If it can be assumed that the aircraft's movement around its axes secures a specific flight condition, a description of the aircraft's movement in space becomes considerably simpler since only forces which act on the aircraft need to be considered. However, for a comparative analysis of maneuverability properties it has been shown that consideration of forces acting on the aircraft does not provide enough information.

A simple example will demonstrate this fact: Aircraft A and B are flying horizontally at the moment of observation and without longitudinal acceleration. The same lifting force of 1208 kN acts on both of them. Aircraft A weighs 1208 kN, aircraft B 201.3 kN. Although lift is the same, the two aircraft behave differently. Aircraft A continues its horizontal flight while aircraft B changes into a vertical maneuver since the lifting force exceeds weight many times. This example shows that it is not the aerodynamic forces and the jet thrust F_S which are significant but their ratio to weight.

In aerodynamics this ratio is called the load coefficient and relates to a system of coordinates that is fixed with regard to velocity. Here the x-axis is aligned in the direction of velocity vector v ; the y-axis is vertical to v in the aircraft's plane of symmetry; and the z-axis is vertical to the area yx to the left (diagram 1). Diagram 1 simultaneously shows their position relative to each other between the system of coordinates that is fixed with regard to velocity and the system that is fixed with regard to the aircraft over the angle of attack α and the angle of sideslip β . Opposite the topical horizon, the aircraft's plane of symmetry is inclined by tilt-angle γ . Most aerodynamic textbooks--including ³--precisely define the load coefficient but then use unacceptable simplifications. Thus, in ³ the vector n (total load coefficient) is first defined as

$$n = \frac{F_S + F_L}{F_G} \quad (1)$$

where F_S is the jet thrust; F_L the total aerodynamic force ($F_L = F_A + F_W + F_Z$); F_A the lifting force; F_W the resistance; F_Z the lateral [component] force; F_G the weight.

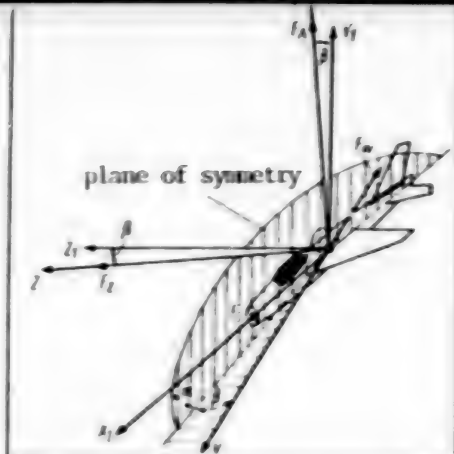


Diagram 1.

Relationship between system of coordinates fixed with regard to aircraft and that fixed with regard to flight path (velocity)

It is generally assumed that a flight proceeds without sideslip, which means that the beta angle is equal to zero. While this simplifies the analysis, it is inappropriate for certain flight conditions. This is particularly true for future aircraft which have direct side force control (flight with controlled sideslip) since in that case the lateral load coefficient n_z is not equal to zero. Initially the longitudinal load coefficient is correctly defined in ³:

$$n_x = \frac{F_{Sx} - F_W}{F_G} \quad (2)$$

To be more exact, it should read:

$$n_x = \frac{F_S \cdot \cos \alpha - F_W}{F_G} \quad (3)$$

$$n_y = \frac{F_A + F_S \cdot \sin \alpha}{F_G} \quad (4)$$

The assumption is thereby made that the direction of effect of the jet thrust corresponds to the plane's center line x_1 . However, this does not apply, for instance, to thrust-vector controlled flying objects such as vertical takeoff aircraft in the start phase. The simplification ($\sin \alpha$ approximately equal to 0; $\cos \alpha$ approximately equal to 1) that is found in most textbooks, including [Lyssenko, et al]³, is no longer appropriate given today's maximum angles of attack of 28 to 30 degrees and the constantly rising thrust-weight ratios μ which are often larger than one. Maximum angles of attack, moreover, are actually being used by modern aircraft since their improved control systems have made it possible.

The simplifications cited can only be used for alpha angles of less than 10 degrees. (The author is not offering a detailed error analysis since it will be demonstrated by a later example.) In the form shown they result, however, in considerable simplifications when determining n_y and n_x which in combination define the type of maneuver. Just because of that it is necessary to determine their values precisely. Only the relationship of the same parameters makes it possible to judge which aircraft possesses better

maneuverability properties. Aircraft A obviously has an energetic advantage if n_{xA} is larger than n_{xB} while n is the same. Aircraft A will catch up with aircraft B, or at least reduce the distance between them, if A flies behind B.

However, the determination of n_y and n_x using equations (3) and (4) is very complicated even if all required data are known. The reason for this is the fact that forces F_A and F_W are themselves dependent on the angle. (For some aircraft also F_S !) This makes the determination of n_x and n_y an iterative task since initially the required angle of attack α is unknown for a given flight condition. To determine the function $n_x = f(n_y)$ and other parameters precisely and to be able to compare maneuverability factors, the following algorithm has been shown to be useful:

Selection of the configuration variable and determination of gross weight (as a function of fuel supply)

Four values are known (for an assumed aircraft model or its modification). These include the polars of the aircraft C_W as a function of the mach value, the wing adjustment x , the configuration variable RV and the lift correction value C_A

$$C_W = f(C_A, M, RV, x)$$

as well as the dependency of the lift correction value on the angle of attack and the mach value (Diagram 2). The permissible lift correction values as a function of the mach value (Diagram 3) as well as the permissible load coefficients as a function of the configuration variable and of gross weight and/or the mach value must also be known (Diagram 4 is a typical example).

Determination of the engine controls to be analyzed

This provides the characteristic curves for power plants, which represent the dependence of the jet thrust on altitude, on the mach value M and on engine controls--e.g., on maximum RPM or on maximum or minimum afterburner adjustments. These are the data required initially. However, still to be determined is the height/velocity range for which parameters n_x and n_y are calculated. It may include the entire permissible range or only a part thereof, e.g., mach values below 1 and altitudes below 10 km.

Assumed Altitude

Before parameters are calculated an assumed altitude is selected. The values M and n_y are varied within the permissible range. $C_{Acquisition\ i,j}$ is first determined for a given combination of n_{yi} , M_j . For this purpose equation (4) is rearranged:

$$F_{Ai,j} = n_{yi} \cdot F_G - F_{Sj} \cdot \sin \alpha_{i,j}. \quad (5)$$

since

$$F_{Ai,j} = C_{Ai,j} \cdot 0.7 \cdot p^H M_j^2 \cdot A_{TF}$$

one obtains

$$C_{Acq.i,j} = \frac{n_{yi} \cdot F_G - F_{Sj} \cdot \sin \alpha_{i,j}}{0.7 \cdot p^H \cdot M_j^2 \cdot A_{TF}} \quad (6)$$

p^H is the atmospheric pressure at the assumed altitude; A_{TF} the reference wing area of the aircraft; F_{Sj} the jet thrust at the assumed mach value, altitude and engine control

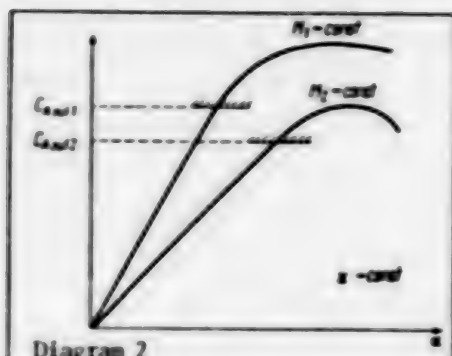


Diagram 2

Diagram 2

Typical correlation of $C_A = f(a)$ for different mach values

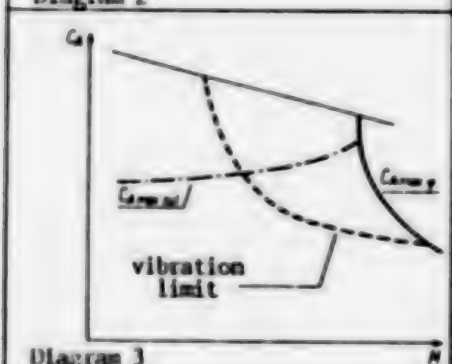


Diagram 3

Diagram 3

Typical course of $C_{Amax} = f(M)$ considering permissible lift correction values and vibration limits

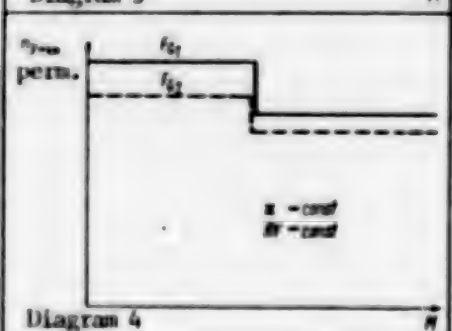


Diagram 4

Diagram 4

Typical course of $n_{ymaxperm.} = f(F_G, x, M)$

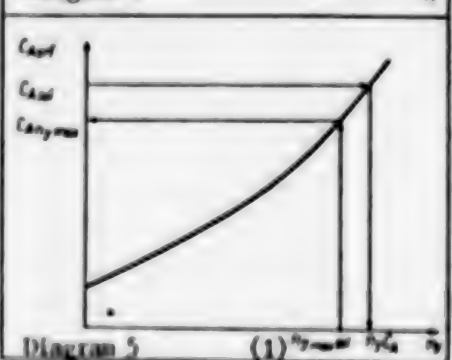


Diagram 5

Diagram 5

Determination of permissible values for $n_y C_A$ and $C_{Aanymax}$

(1) zul = permissible

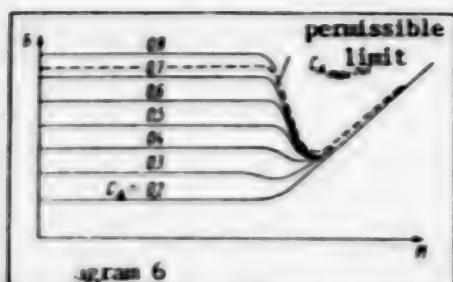


Diagram 6

Dependency of polar coefficient B on M and C_A

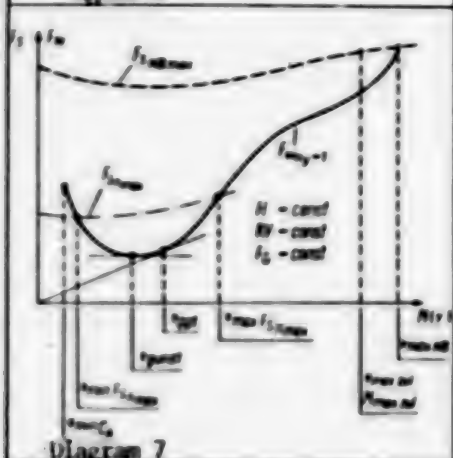


Diagram 7

Shukowski curves and their analysis

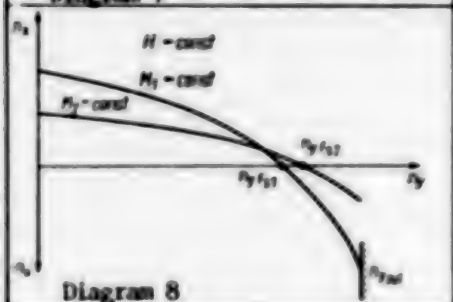


Diagram 8

Progression of function $n_x = f(n_y)$ or different M numbers

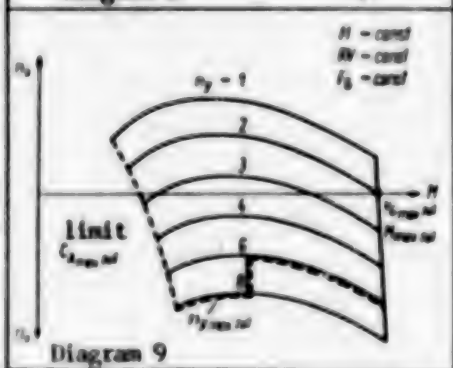


Diagram 9

Generalized maneuverability characteristic $n_x = (n_y, n_{yperm}, M)$

Two values in equation (6) are unknown: $CA_{acq,i,j}$ and $\alpha_{i,j}^1$. It can, therefore, not be solved directly but must be solved by an iterative process. Initially $\alpha_{i,j}^1 = 0$ is assumed. When the first value of CA_{acq} has been calculated, the first corrected value of $\alpha_{i,j}^1$ is determined from Diagram 2 and the calculation is repeated. It has been shown in practice that adequate precision is achieved after four to five iterations. It is useful to design a chart for this calculation--and for those discussed below--where the horizontal columns contain the MJ numbers and the vertical columns the nY^1 values (variegated).

At first MJ = constant is variegated with nY until either $nY_{max,perm.}$ has been reached or until $CA_{perm.}$ has been exceeded for the first time. The calculated values for $CA_{acq,i,j}$ with the assigned α_{ij} values are entered into the appropriate column.

In addition, an auxiliary graph of the determined values $CA_{acq,i}$ as a function of nY^1 is constructed and the values $CA_{perm.}$ and $nY_{max,perm.}$ are--if they exist at all under the assumed conditions--drawn as straight lines. The intersections provide either the maximum permissible load coefficient in accordance with the lift or $CA_{nY_{max,perm.}}$, which represent the limits for $CA_{acq,i}$ for a given mach value (Diagram 5).

The same procedure is used for all assumed MJ values until finally the chart has been found which has the assigned values for $CA_{acq,i,j}$ and $\alpha_{i,j}^1$. At the same time nY_C or nY_{max} is entered on a separate line so that the function $nY_{CA}/max_{perm.} = f(M)$ can be shown graphically.

Calculating the resistance for given combination of MJ, nY^1

Here the actual polars are used. Since $CA_{acq,i,j}$ is known, the C_W value can be determined (read) from the polars.

Generally the polars for the aircraft are given without external attachments. The resistance correction value for external attachments must therefore be added to the value found.

$$C_{WE} = C_W + C_{WAA} \quad (7)$$

The resistance is then determined in accordance with the equation

$$F_{Wij} = C_{WEi} \cdot 0.7 \cdot \rho H \cdot M_j^2 \cdot A_{TF} \quad (8)$$

and the previously started chart is continued. If the polar has been given in the form

$$C_W = C_{W0} + B \cdot CA^2 \quad (9)$$

the value for C_{W0} must be determined for the respective MJ number; the polar coefficient B must be defined (see Diagram 6) and subsequently calculated for all $CA_{acq,i,j}$ in accordance with equation (9); and C_W and F_W must be calculated in accordance with equation (8). F_{Wij} is thus defined in the

permissible (or selected) M and n^Y range. This also provides the opportunity simultaneously to define a series of parameters which are not required for assessing maneuverability factors but are important for an analysis of general tactical flight characteristics and could be called a by-product.

Here, the starting point is the creation of graph $F^W = f(M)$ for $n^Y = 1$. From the graph (Diagram 7) the following can be determined--if the thrust curves F^S are simultaneously drawn for several power plant settings: v_{min}^{CA} minimum permissible velocity according to C_{Aperm} ; v_{min}^{FS} [misprint in original] minimum velocity according to engine thrust; v_{max}^{FS} maximum velocity according to engine thrust; $v_{favorable}$ velocity of maximum flight duration, characterized by value F^W_{min} ; and v_{opt} velocity of maximum flight range, characterized by $(F^W/v)_{million}$.

By including v_{Gmax} , M_{max} and $v_{Gminperm}$, parameters can be found which are decisive in limiting the altitude-velocity range in horizontal flight. In the example shown, the maximum possible velocity in the afterburner mode is not permissible and limited by $v_{maxperm}$ ($M_{maxperm}$). On the other hand, there is no limit for minimum permissible velocity according to thrust for this engine setting since $C_{Amaxperm}$ is already reached at a higher velocity. The determined parameters and limits are entered into the graph.

Calculating the value $n^{x1,j}$

This is done for the respective combination M_j , n^{y1} by using equation (3). Of the initially required data, F^S , $F^{w1,j}$, $\alpha^{1,j}$ and F^G are known. The results for $C_{Aacq.1,j}$, $\alpha^{1,j}$ and $F^{w1,j}$ are entered into the chart which is continued. Two additional values, which characterize maneuverability properties, can be graphically determined from the calculated values for $n^{x1,j}$. These are the maximum normal load coefficient in accordance with power plant output n^{yFS} and the energetic rate of climb V^y .

It has been shown in practice that n^{yFS} can be appropriately determined graphically by presenting the function $n^{x1} = f(n^{y1}, M_j = \text{constant})$ for all M_j numbers (Diagram 8). The value n^{yFS} , which can be read directly, corresponds to the condition $n^x = 0$. Thus results an associated value $n^y F_s j$ for every M_j number.

The function $n^{yFS} = f(M, H = \text{const.})$ is thereby simultaneously determined. It is entered as an independent line into the chart.

The energetic rate of climb V^y is calculated using the equation:

$$v^{*y1,j} = n^{1xj} \cdot v_j = n^{1xj} \cdot M_j \cdot \alpha H \quad (10)$$

where n^{1xj} is the longitudinal load coefficient for a normal load coefficient $n^Y = 1$; αH the speed of sound at the assumed altitude.

If v^{*y1} exceeds the value V^{y1} , the aircraft can rise vertically and accelerate at the same time. This value is otherwise equal to the maximum obtainable rate of climb V^V .

Calculating the n^{xi} gvalues

Presented as a group of curves $n^x = f(n^y, M)$ as generalized maneuver factors with all limits included. Diagram 9 is a typical example.

Repeating the assumed points for the entire (or relevant) altitude range.

In this way other parameter or characteristic curves can be determined and presented graphically as, for instance, the ascent/descent barogram; lines equal to n^{lx} , n^{yCA} or n^{yFs} ; minimum curve radii of forced curves with maximum permissible lift correction value r^{CAmax} ; curve radii of stationary curves according to the power plant thrust in the altitude-velocity diagram and others. The curve radii of horizontal curves can be calculated by the equation:

$$r = \frac{v^2}{g \sqrt{n^2 - 1}} \quad (11)$$

For the momentary curve radius during vertical maneuvers, the following applies:

$$r = \frac{v^2}{g (n_y - \cos \theta)} \quad (12)$$

Wherein θ is the angle of climb of the flight path (the angle between the velocity vector and the topical horizon).

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12628

CSO: 2300/223

LAG IN CHEMICAL INDUSTRY CRITICIZED

Prague HOSPODARSKE NOVINY in Czech No 3, 1986 p 1, 6

[Article by Pavel Hrivnak, deputy premier of the CSSR Government: "Where We Have To Catch Up"]

[Text] During the years of the initial 5-year plans, the Czechoslovak industry--as a priority branch--grew at an above-average rate. The industrial equipment base was built up using the experiences of the USSR and the German Democratic Republic. The Czechoslovak machine tool industry, where at the same time the important sector of chemical engineering was developing, took part in implementing investments. Gradually, the Czechoslovak chemical industry as it grew, particularly in the development of the petrochemical sector, began using technological processes and equipment from industrially developed nonsocialist countries.

Loss of Preferential Status

At that time, the main criterion for selecting plans for development was to satisfy as much as possible the needs for introducing the use of chemicals into other branches of the national economy which are directly dependent on the quality of the output of chemical products. Thus, in the interest of developing socialist agricultural large-scale production, we built facilities for manufacturing industrial fertilizers; we began building up the manufacturing of plastics and synthetic rubber, especially for the needs of the machine tool industry complex; in order to develop the textile industry, we developed the production of synthetic fibers. The deliveries of crude oil from the USSR enabled us to develop petroleum refining as a necessary prerequisite for developing motorization and automobile transportation, as well as to broaden the raw material base of the chemical industry and build modern petrochemical facilities.

When evaluating these developments from the point of view of meeting the needs of the national economy, we have achieved visible successes. In agriculture, we can currently count on obtaining more than 260 kg of pure nutrients per hectare; the production of plastic reached 69 kg per person and of synthetic fibers 11.9 kg per person. These indicators place the Czechoslovak economy among the leading industrially developed countries in the world. However, as a consequence of the energy crisis and the downturn in the price of crude oil on world markets, there was a reduction in the volume of

processing this raw material, particularly at the beginning of the 1980's, as well as a decline in the rate of growth of the chemical industry. The chemical industry is currently losing its preferential status.

The development of the industrial equipment base of the chemical industry and its contribution to the overall industrial output is shown in the following table.

Development of the Industrial Equipment Base in the Czechoslovak Chemical Industry

	1960	1965	1970	1975	1980	1985	1990
Gross Production in billion Kcs (billion) (prices as of 1 January, 1984)	24.3	38.0	51.0	80.2	102.6	112.4	126.6
Long term assets in billion Kcs (billion)	22.4	30.5	43.7	66.5	95.4	120.4	143.4
Share of industrial output in percent	10.6	12.8	12.5	12.5	14.8	14.1	13.6

Limited investment capital does not allow us to carry out a more extensive liquidation of obsolete, often not very efficient, longterm assets. As a consequence, their obsolescence increases; it now stands at about 50-52 percent of the total value of long-term assets and the extent of obsolescence of technological equipment has reached 61.7 percent. That increases the chances of unexpected break-downs and accidents and makes the modernization and reconstruction of the industrial equipment base of our chemical industry more urgent.

Possibilities and Requirements

The reduced rate of growth of the chemical industry in the Seventh 5-Year Plan had a negative impact on the level of use of chemical products in the national economy (that is, the share of consumption of chemical products in the costs and production of processing branches). We expect that in 1988 the level of the use of chemical products will stagnate at the level of 1980, and that in branches with high dynamics it will be lower.

The Eighth 5-Year Plan designates a rate of growth in the chemical industry higher than that in the Seventh 5-Year Plan, the investment capital to reach 32 billion Kcs. The output of the chemical industry is to grow by 12.7 percent. This growth will be affected mainly by the real possibilities of securing raw material resources and the possibility of an increase in investment capital, the results of which will have an impact in the final years of the

5-year plan or will show up only in the following period. However, output in the industry as a whole will grow by 15.7 percent.

The slower rate of growth of our chemical industry is not in keeping with worldwide trends or with the rate of growth in other CEMA member countries. For example, in the previous 5-year plan the output of the chemical industry increased by 37 percent in the Bulgarian Peoples' Republic, 30 percent in the Hungarian Peoples' Republic, 33 percent in the German Democratic Republic, 55 percent in the Romanian Socialist Republic, and by more than 20 percent in USSR.

To overcome this serious disproportion between the requirements of the processing branches and the capacity of the chemical production, it will first be necessary to mobilize the internal resources of the chemical industry by a better utilization of the research and development base and existing long-term assets, reduce the relative energy consumption, broaden the raw material base by recycled raw materials, etc. We will gradually implement progressive structural changes while maintaining the output of the current range of products.

Worldwide trends make it absolutely clear that the Czechoslovak chemical industry must be developed as an integral component of an essentially large economy such as ours. It is also given by the fact that in many cases the smallest economically efficient capacities are greater than Czechoslovak consumption, and that we will always have to import raw materials. The character of chemical production, high demands for intermediate goods and the variety of its production demands international cooperation. Given our circumstances, we do not have a chance to plan a long-range development of the chemical industry without a closely coordinated cooperation of the Czechoslovak industry as a whole, and making more use than has been the case thus far of the opportunity to specialize and cooperate, particularly with the USSR and linking up directly with the development of the chemical industry in the Soviet Union and other socialist countries, as was pointed out at the fourth plenum of the Central Committee of the Czechoslovak Communist party.

Accordingly, the Eighth 5-Year Plan assumes an increase of the export of chemical products to socialist countries by almost 36 percent, and export to nonsocialist countries by more than 23 percent. Chemical engineers face the important task of increasing the efficiency of production. For example, costs of materials ought to decline by 1990 by 13.2 percent in the CSR and by 11.8 percent in the SSR compared to 1985.

Focus Is in Crude Oil

The focus of the development and the main contributor to the growth of dynamics in the coming period will be the processing of crude oil, into which will be introduced new, efficient technologies of secondary, deeper processing of this raw material. We shall also have to concentrate our attention on the implementation of the State Goal-Oriented Program 09 For Priority Chemical Production. This program is directed toward a gradual restructuring of the chemical industry to transfer the focus of chemical production to chemical specialties, which we are able to produce in Czechoslovakia and which can be put to good use on the world markets on a long-term basis.

The program also assumes that the production of chemical specialties will focus mainly on:

- production of special plastics for use in construction, filled and reinforced plastics
- complex of technologies needed for the production of active ingredients for the manufacture of pharmaceuticals, biofactors and necessary by-products
- production of modern organic dyes, subject to the development of a semi-product base
- chemicals for the rubber industry, with a broad range of products such as accelerators, antioxidants and inhibitors for vulcanization
- production of pure and special chemicals, such as pure alcohols, gases, liquids, light-sensitive solutions, etc.
- expanding the production and range of pesticides, both as active ingredients and as finished products
- production of additives for oils and lubricants, particularly of the detergent and dispersing additives, substances regulating viscosity, and others
- increasing the production of coatings and bitumens for making them
- production of new types of highly active and selective catalysts.

To implement these plans we have to, first of all, utilize the research base of the chemical industry in cooperation with the laboratories of the Academy of Sciences and colleges. The development of this branch of chemical production will inevitably also mean that we shall have to build its infrastructure, that is services, applied services, research and development of markets, specialized laboratories, and improve the training of cadres. We shall also have to make the pre-production phase more efficient by building general purpose workshops, pilot plants, and by improving the adapting construction and planning.

Environment

For a long time the chemical industry has been criticized as, and still is, the having a detrimental effect on the environment, and it is still a target of criticism now. During the period of an extensive growth of our economy, during the period of industrialization, local and area agencies welcomed the chemical industry as a contribution to that process, to the overall development of area units. That era is behind us, and currently the trend is in the opposite direction. It is true that in the past mistakes were made, that often increased output had the first priority, that technological problems were not given a comprehensive solution with due consideration of the problems environmental protection. Scientific knowledge, including chemistry, is constantly expanding, and currently we are taking new approaches to resolving those problems. It is futile to look for the offender for what has happened in the past. But it is our duty to search for and find a way out and deal with the present situation.

To begin with we are solving the problem of cleaning up waste water, gaseous emissions, and disposing of solid waste. Industry is beginning to focus on improving machinery and equipment in order dramatically to reduce the creation of waste and the necessity for its costly disposal. Solutions must be found for introducing low-waste and no-waste producing technology, which, however,

still depends on technological progress and often also on economy. In any case, we must stress that the detrimental impact on the environment is caused primarily by people who are in charge of production, the degree of their knowledge, and not by the science of chemistry, which, on the contrary, can help correct the bad effects of man's manufacturing activities, and not only in the chemical industry.

The chemical industry has special features. One of the main ones is the continuous manufacturing process using single-purpose production equipment, which has to be carefully maintained and which quickly becomes obsolete and worn-out as a result of its location.

Every introduction of a new product is highly demanding of machinery and technology. Ensuring high productivity and safety places great demands on the measuring, regulating and control instruments which are absolutely necessary for the production.

It is most desirable that the bulk of the equipment be manufactured in Czechoslovakia. However, the Czechoslovak machine tool industry has been turning away from the needs of the chemical industry. It is endeavoring to promote a greater serialiazion of production, not possible in the case of the chemical industry, which is differentiated and necessarily restricted in volume. The inescapability of importing machinery and equipment from abroad makes it more demanding of investment capital and reduces the efficiency of manufacturing chemical products.

We often encounter opinions such as these: "When it comes to chemical products, it is unjustifiable for our branch to obtain them by importing them from nonsocialist countries." But when it comes to obtaining deliveries of machinery, equipment and spare parts, the chemical industry has to take care of the manufacture or import by itself. Such a two-faced attitude toward branches of the national economy cannot be countenanced, because the chemical industry in no way can, or knows how to, take the place of the specialized enterprises of chemical engineering.

In Czechoslovakia, the substitution of traditional materials by synthetic products has not yet been completed. Worldwide, the first instances of the so-called wave of synthesization are taking place. It consists of the production of non-substitutable new elements which have an influence on the technological progress in the user branches.

The chemical industry wants to solve its problem. We have worked out the concept of restructuring the chemical industry as a prerequisite for meeting the needs of our socialist society with higher quality products. The period of the Eighth 5-Year Plan should see the creation of a firm foundation for this reconstruction.

12605/12951
CSO: 2400/156

FOUR 'OFFICIAL' CURRENCY EXCHANGE RATES NOTED

Prague HOSPODARSKÉ NOVINY in Czech No 51/52, 1986 p 9

[Article by Pavel Pacht and Michal Voracek: "How Many Korunas per U.S. Dollar?"]

[Text] This year, millions of our citizens spent their vacations, as they did in previous years, abroad. Many of them came back satisfied, but others swore that they would not go through such an adventure again next year. A considerable number came back from abroad asking questions like that of A. N. from Chomutov: "What is the basis for determining how many U.S. dollars I will get for my korunas? Isn't it a fact that in foreign trade quite different numbers are being used than in exchanging korunas for tourism?" Quite a few inquiries like this have been arriving at the editorial desks of our newspapers and magazines, and not just during the summer months. What then is the situation concerning exchange rates in Czechoslovakia?

In the CSSR, the basic exchange rate instrument used is the official exchange rate. It is based on the gold content of the Czechoslovak koruna, as established by the currency reform of 30 May, 1953 (Law No 41/1953, Laws of CSSR). Its gold content is compared to the gold content of other currencies. This establishes the ratio between individual currencies--the official currency exchange rate.

Official Rate

This exchange rate for the Czechoslovak koruna is set by the Czechoslovak State Bank (SBCS) and is published in their exchange rate bulletin in 3 values: selling, buying, and median rate. The buying rate is always somewhat lower than the selling rate, because the bank must cover its costs and make a profit as well. The official rate also differs somewhat depending on whether we are dealing with foreign exchange instruments (mostly money in accounts payable and bills of exchange, in other words short-term claims in foreign currencies to be paid abroad) or currencies. That is money which we can hold in our hands, such as paper bills and coins. Such basic kinds of rates exist in all countries. The differences among them are usually small.

After the capitalist countries in the so-called free currency area gradually, starting at the beginning of the 1970's, ceased to express the value of their money in gold, the Czechoslovak State Bank also reacted to this situation: beginning 1 September, 1973, it adopted a new method of setting the official rate of the Czechoslovak koruna against the currencies of nonsocialist countries. It is based on the principle of exchange rate continuity. A special section of the Bank follows the developments in the principal currency rates on the most important foreign exchange markets on a daily basis, and according to their movement it calculates the differences compared to the previous rates. The exchange rate for the Czechoslovak koruna against the appropriate currencies is then adjusted according to the changes in the rates. The method used is that of a group of 5 currencies, according to the weight they carry in the structure of payment relationships with foreign countries. It means that the fluctuations in the exchange rates of capitalist currencies are translated into changes in the exchange rate of the koruna against those currencies, to a degree commensurate with their importance in the group of 5 currencies. This guarantees that a stable relationship of the koruna to the group of currencies is maintained, despite the fact that the exchange rates of some currencies rise and others decline.

At the same time, the bank holds to the principle that the exchange rate of the koruna against individual currencies should correspond to the parity of exchange between those currencies on foreign currency markets in a particular time period. In that sense, the official exchange rate posted in the exchange rate bulletin of the Czechoslovak State Bank (published monthly in the HOSPODARSKE NOVINY, for instance), is real. Example: if the exchange rate of the U.S. dollar against the West German mark declines, it will show up in the exchange rate bulletin of the Czechoslovak State Bank as an increase in the official exchange rate of the koruna against the U.S. dollar (fewer korunas are paid for the dollar), and on the other hand, its exchange rate against the West German mark will decline (more korunas will be paid for the West German mark). For example, the official exchange rate of our koruna against the U.S. dollar from May 20 to July 31, 1986 was 6.15 Kcs for \$1.00 (selling currencies).

Real Rate of Exchange

The important question is whether the official exchange rate realistically expresses exchange relationships. That is a very complicated theoretical question. Briefly stated, the exchange rate should correspond to the value ratio of both currencies that are being compared. Whereas in the past the question of a real exchange rate pertained above all to a real, officially fixed gold content of the currency, at present, when gold, because of its constant price fluctuations, is practically no longer usable for expressing the value of currencies, new ways of doing so are being sought. The socialist countries apply mainly two methods of estimating a real exchange rate of their currencies.

The first method, comparing the purchasing power of two national currencies, is used mainly to establish the exchange rate for non-trade payments (in tourism). What are the procedures? We price out a certain number of basic products in the domestic prices of both countries. When we compare the total sums thus obtained, we arrive at the required ratio (exchange rate).

The other possibility is the method of using median replacement costs for acquiring foreign exchange through export. It involves trade payments (invoicing of claims and obligations in the framework of foreign trade). This is actually a simple way of finding out what foreign currencies actually cost us in terms of our export. The domestic prices of products are compared with prices which the CSSR gets for its exports to the appropriate area. A real exchange rate, thus determined, usually differs from the official rate.

This fact (i.e. that basic economic trends keep changing and are reflected in the exchange rates) requires that the official rate be readjusted (made real) by various additional controlling instruments. That the exchange rate of the koruna against currencies of other countries remains real has been therefore guaranteed, since 1956, by a system of surcharges and premiums.

The public is familiar mainly with the exchange rates for nontrade payments, particularly the so-called tourist rate.

Tourist Rate

In relations with socialist countries we follow the multilateral agreement (the so-called Prague agreement) of 1963. The tourist exchange rate of currencies of socialist countries is determined on the basis of negotiations by finance ministries of the countries in question, according to the principle of equivalence of every citizen of each country: they should be able to purchase in another country basically the same amount of goods under the tourist rate as they could at home. When comparing the purchasing power of the currencies of socialist countries, we use the so-called market basket, which contains items representing goods and services in demand during short-term and median-term travel abroad. These are priced in national currencies and compared. The official exchange rate is then set based on values thus obtained.

The tourist rate is therefore different from the official rate. If, for example, the official exchange rate of the koruna against the USSR ruble is 8.00 Kcs for 1 ruble, then by comparing the purchasing power of both currencies in the retail trade of these countries we arrive at today's ratio of 10.00 Kcs to 1 ruble (it was 9.65 Kcs to 1 ruble up to 1975). Whereas today a Czechoslovak tourist pays 11.90 Kcs for 100 Polish zlotys, 10 years ago he had to pay 47.10 Kcs, etc.

Somewhat more complicated is determining the tourist rate against countries with free currencies (capital countries). Here we do not

negotiate agreements with the governments of those countries. The mandatory exchange rate in our country is set by our agencies. At the same time, the principle, by which the exchange rate is determined, is analogous: equalizing the differences in price levels and establishing an exchange rate on approximately such a level that would correspond to the relationship of the purchasing power of both currencies. For this reason, tourists from capitalist countries are paid not only the Kcs equivalent according to the official exchange rate, but also an additional payment of 75 percent. Such an exchange against the U.S. dollar is 6.15 Kcs for 1 U.S. dollar plus an additional premium of 75 percent (buying currency). That comes to 10.75 Kcs for 1 U.S. dollar. Tourists arriving from capitalist countries must exchange dollars at this rate, either at the border or inside the country in banks or exchange offices. They also have the obligation to exchange a certain amount of dollars for every day of their stay in Czechoslovakia.

In passive tourist traffic (our travel to capitalist countries) our tourists pay more. The above-mentioned tourist exchange rate is increased by a further 125 percent administrative charge (when purchasing Yugoslav dinars, by 75 percent). Thus they pay the official rate plus a 75 percent surcharge, and in addition a 125 percent administrative charge for promoting the development of tourism.

To establish a real tourist rate is difficult because of, among other things, the differences in the price systems of various countries, not only in relation to the socialist but particularly to the capitalist countries. Even with the given rate of exchange (as a median quantity, even if real) some products abroad will always be cheaper and some more expensive. Given the current rates, our tourists in developed capitalist countries will for example find electronic products cheaper, and on the other hand basic foodstuffs, fares on urban transportation, prices of movie tickets, etc. more expensive.

This fact, combined with the great difference between the "price" which our tourists pay for currencies when traveling in nonsocialist countries, and the exchange rate at which Czechoslovak korunas are sold to tourists from capitalist countries when traveling in Czechoslovakia, could be misused by some citizens by exchanging currencies against regulations for foreign currency management, at an "exchange rate" advantageous to both parties (that is, to themselves as well as to the arriving Western tourists). The funds they acquire in this manner they will then sell, for example, to those who wish to buy in Tuzex. Since for a variety of reasons we do not have top quality consumer goods as yet, particularly of the wanted range of electronic goods, there a lot of those who wish to do so, especially when they calculate that buying in Tuzex for such finds is in certain cases to their advantage.

12605/9190
CSO: 2400/124

CONSUMER GOODS INDUSTRY RELUCTANT TO PUBLICIZE INNOVATIONS

Demand Usually Cannot Be Met

Bonn IWE WIRTSCHAFTSDIENST in German Vol 28 No 6, 9 Feb 87 pp 4-5

[Text] Industry in the GDR is not very often interested in seeing trade publications report on new products, as a letter from a reader of the East Berlin publication RADIO FERNSEHEN ELEKTRONIK brought out--a letter with which the editors agreed. Inquiries about product availability, prices, etc., begin immediately after a report on a new product. This causes problems for the prospective manufacturer because chances are the product is either earmarked for export only, can only be produced in small quantities, cannot be manufactured until some distant time in the future, or something else is bound to cause trouble for the producer. The reader also reported that enterprises in the GDR tend to react to inquiries by distancing themselves from trade magazine reports. Their response is: "This article was published without our knowledge and we would prefer that it had not been written at all."

The reader cited additional reasons why "innovators" (small inventors) in the GDR shy away from trade publications. On the basis of the existing innovator law and because of "the widespread home construction of rationalization means," it is more profitable for the individual to develop similar solutions for the same problem at 50 places, rather than write an article about it for a trade magazine. Should the publication of quality innovations become standard, then many industrial innovators would have to look for "a profitable additional income," and many managers of the innovators' movement in industry would have to worry about the future state of the movement's annual balance sheet.

Journal Responds to Complaint

East Berlin RADIO FERNSEHEN ELEKTRONIK in German Vol 36 No 1, Jan 87 p 6

[Text] It must often be difficult for you to find specialized articles that report on new products. I think several reasons are basically responsible for that. Even if they do not write articles for trade magazines, the people concerned have to wade through stupendous mounds of paperwork every day. After work, many don't feel like coming up with an article of several typed pages complete with photographs and diagrams of circuit boards.

On the basis of the existing innovator law and because of the widespread home construction of rationalization means, it is often more profitable for an individual in the GDR to come up with similar solutions to the same problem at 50 places rather than to write an article. Should, however, the publication of quality innovations become standard, then many industrial innovators would have to look for "a profitable additional income," and many managers of the innovators' movement in industry would have to worry about the future state of the movement's annual balance sheet.

Another reason is that the report on a new product (commercially or consumer oriented and provided certain standards are observed) triggers immediate inquiries about product availability, costs, and so forth. This causes problems for the manufacturer because chances are the product is either earmarked for export only, can only be produced in small quantities, cannot be manufactured until some distant time in the future, or something else is bound to cause trouble for the producer. I have had it happen that GDR manufacturers, when faced with an inquiry about their product, will distance themselves from articles appearing in trade magazines by saying: "This article was published without our knowledge; we would prefer it had not been written at all."

D. H. Jena

[Text in italics]--We are convinced that several, if not all of your cited reasons are responsible for the fact that many prospective authors refrain from writing for a trade magazine. Everybody, including the editorial staff, authors, and especially the industry ought to ponder the fact that the exchange of experiences through trade publications requires no investment and can be of great advantage to our national economy. Such an advantage does in fact exist, although not "accountable" in figures.

13196/12859
CSO: 2300/207

WEAK TRADE STRUCTURE REFLECTS POOR MANAGEMENT OF INNOVATION

Vienna DIE PRESSE in German 11 Feb 87 p 7

[Article by Erich Hoorn: "Innovation Crisis Puts Breaks on GDR Economy"]

[Text] The economy of the GDR can look back to a successful year. The produced national income grew by 4.3 percent, close to the expected 4.4 percent. A recently released report by the German Institute for Economic Research (DIW) says: "On the whole, the GDR has not only undergone remarkable economic growth in 1986, it has also met its production goals. However, the distribution of the produced national income does not agree with targets."

To begin with, investments have risen by 5 percent as opposed to a projected 0.8 percent. Private consumption has also exceeded plan figures. Net national income rose by 4.5 percent and retail store sales by 4.1 percent. There are no data on the rate of inflation. The supply of the population with goods ran "rather smoothly" according to the DIW which is known for its optimistic appraisal of the other Germany.

The export market is a sore point. It was supposed to increase its volume by 5.0 percent, but managed only 1.0 percent. Exchange of goods with the USSR, its most important trading partner, also grew only at a modest 1.0 percent; intra-German trade also decreased. Exports to other DECD countries have decreased while imports have increased.

The magazine AUS POLITIK UND ZEITGESCHICHTE, a supplement to the Bonn weekly DAS PARLAMENT, notes that the GDR's economic success cannot cover for its innovation crisis. In an article about the GDR, Fred Klinger points to "insufficient research efforts, technological backwardness compared with the technology of world-market countries, and an economic management style that stifles innovation in the enterprises."

But the GDR employs 200,000 persons, 60 percent of them university graduates, in its research and development sector (R&D). GDR scientists stress that the country's proportion of people working in R&D puts their country into an "internationally outstanding group." With its 0.4 percent of the total world population, the GDR has an estimated 1 to 2 percent of the world's researchers and scientists.

Despite all that, sociologists and other scientists in theoretical and applied fields, have come up with a peculiar observation. Although the GDR has built research and development centers containing material and personnel resources that can measure up to those of other developed industrial nations, they remain to a high degree ineffective. A study published in East Berlin stresses that "the potential power of the research and development sector must become activated and transformed into economy- and technology-related reality." A particular hindrance of innovations is posed by the predominant system used for planning and management.

DIW researchers point out, though, that no reforms, no basic restructuring of the economic system of the GDR is anywhere in sight. The economic leadership refuses to abandon its practice of first planning everything centrally and then passing it on, no changes allowed. Economic collectives, however, have been expanded to form self-sufficient economic units comprising the complete production process, starting with the raw materials and ending with the distribution of goods.

13196/12859

CS0: 2300/207

PROCEDURES ADOPTED FOR IMPLEMENTING 1986 SOFTWARE DIRECTIVE

East Berlin WIRTSCHAFTSRECHT in German Vol 18 No 2/87 (signed to press 27 Feb 87) pp 29-32

[Article by Norbert Roemer, contract judge at the Central Contract Court, and Karl-Dieter Schwenk, chief contract judge at the Central Contract Court and head of the industrial department: "On Shaping the Cooperation Relations in the Elaboration and Utilization of Software"]

[Text] The current 5-year plan provides for boosting labor productivity by an average 8.5 percent annually. That is mainly to be achieved, in part, by more rapidly introducing the latest technologies for highly productive innovations and a fast development of computer-aided project planning, design, and production preparation and implementation (CAD/CAM solutions).¹ Software plays a crucial role in this context as it significantly determines the use value of hardware. By software one means the totality of means in the form of programs and documentation available for operating EDP, process, mini and micro-computers and automated controls, equipment and equipment complexes and production centers (hardware) on the basis of programmable computer component groups.² The increasing importance of software has an impact on the planning and balancing, on price setting and also on the cooperation relations. And it has to be taken into account that when the new Contract Law and its first implementing decree were being prepared the issues of software could not play a decisive role as yet.

The needed rules on planning and balancing are contained mainly in the 13 January 1986 order on the planning, balancing, and settling accounts on software³ and the 26 February 1986 order on the information and consultation services for the development, production and multiple use of software in the GDR.⁴ Price setting follows a pertinent pricing directive. Some specifics result from there also for the shaping of cooperation relations, for the organization and realization of which the legal cooperation regulations in force, it seems to us, still form a suitable basis and facilitate purposeful solutions.

On the Nature of Software

For answering the question on which type of contract applies to software in cooperation one first must clearly understand the nature of software. The State Contract Court first had to deal with this set of problems in 1983 in a ruling that came to the realization that the elaboration of software amounted to

scientific-technical achievements in the sense of Article 2 of the first DVO/VG [implementing decree for the Contract Law].⁵ The software itself that comes out of it hence is a scientific-technical outcome. From that it follows then that elaborating novel software has to proceed on the basis of a contract on elaborating scientific-technical data as to VG Article 61, and the exchange of already extant software, on the basis of a contract on submitting scientific-technical data for use, as of VG Article 62. Deviating opinions on that also were found in the literature.⁶

The 13 January 1986 order on the planning, balancing, and settling accounts on software differentiates between software product and software performance. This differentiation, made mainly with respect to planning and settlements, under contract law aspects, it seems to us, cannot be adduced, however, for determining the suitable contract type. From the way we look at it, the software product cannot be held identical with a material product, and software performance, not always with scientific-technical performance. The software product is also a non-material product. Having been stored in a data system does not turn it into a material product. The non-material outcome--i.e., the solution itself, not the data bank-- is what counts. That also must govern the juridical solution. That idea evidently also informed the 11 September 1986 decree on license renewal and the tasking workbook,⁷ setting down in its Article 2 Paragraph 3 that license renewals and tasking workbooks are needed for tasks on the development and introduction of novel software.

We are not oblivious of the fact of course that not all software is a scientific-technical achievement, not every elaboration of software a scientific-technical performance. As the question about the differentiating criteria does not pertain typically to software, but applies also to other performances, one may refer to Article 2 Paragraph 1 of the first DVO/VG. So one has to check and see whether the performance pertains to a task aimed at enforcing the scientific-technical progress, was achieved mainly in the implementation or the outcome of intellectual-creative efforts and by use of the scientific working methods, and conforms to the achievements contained in the nomenclature for working levels and achievements of tasks in the science and technology plan.

By way of summary one can say: If the elaboration of software conforms to the requirements of Article 2 Paragraph 1 in the first DVO/VG, it is a scientific-technical achievement. If the elaboration of software fails to meet these prerequisites, it is not a scientific-technical achievement, but an achievement of a different sort.

Achievements of a different sort are, e.g., achievements in working out specific application programs with software tools (calculation programs-SC, REIDABAS) or adaptive or organizational achievements.

While discussing the defining of software in legal cooperative terms the question also was raised whether it would not make sense further to differentiate among software above and beyond its scientific-technical or different sorts of achievements. This question has to be explored more thoroughly. A practical value we would find in it, however, only if such differentiation is unequivocal and one does not lose the intelligibility of the matter as regards the juridical models to be chosen. Too many "particular" cases would lead to jurisdictional intricacies.

On the Exchange of Software

Here two basic cases are to be distinguished: working out software as commissioned by a customer or several customers, and handing out software already available.

Compared with other achievements, there are some particulars in software. By putting its material units into the appropriate hardware, it can lead, without any extra efforts, to further non-material achievements (data on wage settlements; language, imagery or tonal works) or even, directly, to material results (production of work pieces, chemical mixing proportions). This bestows on it the particular property of being simultaneously a non-material outcome and a directly applicable product or a working tool in the economic sense.⁸ That also brings it about that not each cooperation model offered is applicable without modification. That holds true, e.g., for software that is not a scientific-technical achievement. On the other hand, the particularities are not so heavy that one should have to create new models at this time.

On Cooperation Relations on Elaborating Software

If the software to be produced amounts to a scientific-technical achievement, a contract has to be signed as to VC Article 61 in connection with Articles 9 and following ones of the first DVO/VC. This applies to basic software as well as to application software if it has to be newly produced. For meeting the needs in application software, however, the users are responsible themselves, in principle.⁹ It yet does not mean they have to produce the application software themselves in every case. Especially the smaller enterprises, which do not have the capacities for such a task, therefore will cooperate on application software with other enterprises or science institutions. The basic software normally is produced by the manufacturer of the hardware, so that no special contract is needed for producing the basic software.

Depending on the kind of performance concerned, elements of different contract types can practically also be combined in one performance contract. If, e.g., the customer wants some hardware and the manufacturer of that hardware also is to develop a software, a uniform contract, usually an investment performance contract, is drawn up that includes the arrangements on the software. Pertinent investment law regulations apply to the investment performance contract, provisions of the first DVO/VC, to the part of the contract that deals with software development.

If software achievements are to be produced that do not conform to the requirements of Article 2 Paragraph 1 and the first DVO/VC, we are dealing with achievements to which Articles 69 and following in the VC apply. We have not had any practical experience in ruling on that thus far, however.

By way of summary it may be said: Economic contracts have to be signed on producing software as to VC Article 61 in connection with Article 9 in the DVO/VC. To determine mutual rights and duties, the contracts have to make the requisite agreements, such as the form in which the scientific-technical outcome is to be delivered. This holds true regardless of whether the commission relates to the development of basic or application software, or whether the manufacturer makes hardware or software. About other performances, not conforming to the requirements of Article 2 Paragraph 1 in the first DVO/VC, service performance contracts

are to be signed as to VG Article 69. The contract specifics are governed by the provisions of VG Articles 69 and 70, with special attention given to the particulars of software.

On the Cooperation Relations in Licensing Available Software

Bernstein and Foerster assume that in the programmed data banks, e.g., we are dealing with industrial commodities and the exchange should take place as governed by delivery contracts. Nor would that be invalidated by the fact that in accordance with VG Article 67 the economic unit that places the order would be assigned the fund ownership.¹⁰ Yet, if fund ownership is transferred, the new owner must then also be granted the right to pass it on further. This right to passing it on, however, relates only to the delivered item, not to the data bank copies obtained within the framework of usufruct authorization. All that amounts to, however, is that the buyers are given the right to sell the data bank, yet the idea stored in it remains protected.

We, on the other hand, assume that elaborating novel software is a scientific-technical achievement and the result achieved, a scientific-technical result. Hence an exchange of such a scientific-technical result amounts to licensing a scientific-technical result for use against pay as to VG Article 62 in connection with Article 18 of the first DVO/VG. That result also is arrived at by Heera,¹¹ who also denies the applicability of the delivery contract after having analyzed the applicability of the various contract types, and states: "In most cases by far a contract licensing scientific-technical data for use against pay will be the most favorable solution."

In summarizing, this is the outcome: If extant software of a scientific-technical achievement is to be sold, a contract is to be signed on licensing this scientific-technical achievement for use against pay as to VG Article 62 in conjunction with Article 18 of the first DVO/VG. This holds true regardless of whether it involves basic or application software, software products or software performance. If extant software is sold together with the hardware—which is normally the case in basic software—an investment performance contract has to be signed about it that also includes the licensing of the software. As to the software, however, the first DVO/VG remains in effect. If extant software is to be sold that does not qualify as scientific-technical achievement, a delivery contract is to be concluded on it, in our opinion, because it merely involves a change in fund ownership, the questions of the protection of the scientific-technical idea not being affected.

Protecting Software from Unauthorized Subsequent Use

In the relations among the economic units regarding the development, production, and multivalent use of software, the protection of scientific-technical data from unauthorized subsequent use is also gaining increasing importance. After having analyzed the international legal situation, Heera explains that in the GDR's Patent Law¹² computer programs also are not recognized as inventions. According to the GDR's patent rulings, neither the elaboration of software nor the software itself qualify for patent protection. Furthermore, according to the copyright law in effect, relevant protection is in effect only for software that is copied

for publication purposes. Otherwise copyright rulings would assume that software cannot be recognized as scientific work.¹³

That is bound to lead to the question about the legal forms of the software protection from unauthorized subsequent use to be applied in the law regulations in effect in the cooperation relations among the economic units. This is of special interest because, according to the 13 January 1986 order on the planning, balancing and settling accounts on software, producers and users of software are obligated to secure effective protection. That implies preventing any uncontrolled run-off of data to be processed.

One legal form of protecting the software in the cooperation relations among economic units that has been found practically useful lies in the chance of contractually excluding the passing on of software for use as to Article 18 Paragraph 4 in the first DVO/VG. According to Article 18 Paragraph 3 in the first DVO/VG, the producer as well as the one who acquired the data by contract are entitled to pass the results on, and according to Article 18 Paragraph 4 of the first DVO/VG a contractual exclusion of passing it on is authorized only if legal regulations provide for it or economic requirements exist for it.

Yet, even through its rulings of 22-A-1 and 1/83,¹⁴ the State Contract Court has brought out that in software we are dealing with a case where, for economic needs, the contractual exclusion for passing on scientific-technical data for use is to be recognized, the case of exclusion as of Article 18 Paragraph 4 in the first DVO/VG thus becoming the rule for software. This was justified, for all intents and purposes, by the amortization of the expenditures created among the software workers. Even the regulations in effect for price setting now assume that, in principle, he who makes software can pass it on while in the chain of cooperation further licensing is to be excluded. This is reflected, e.g., in that the producer has to take into account in setting prices how many cases of application are possible. For the rest one will have to endorse Heera who cogently emphasized that the contractual exclusion of passing it on, recognized as a special case, functions here as a financial stimulus for making software that is as universal as possible and as a sort of surrogate for commercial copyright protection.¹⁵

In summarizing one may say: The cooperation partners are entitled to agreeing in the software production and use contracts that the buyer may not pass on the data further.

Specific situations arise when the buyers themselves develop the software further. E.g., through skilled program maintenance a buyer may gain new insights that will help improve the software. In such cases third parties often become eager to buy such improved software as they are mainly interested in taking over production and application experiences and know-how. Taking into account the economic requirement of ensuring a multivalent use of the software available in the GDR, we assume the buyer should be entitled to pass on software further developed by him to third parties, i.e., to sell it to them. About this also the producers and buyers should make necessary contractual arrangements. It must be made certain here, though, that the producer of the original software gets an adequate share out of the money the buyer collects from third parties.

By way of summarizing, one should be proceeding from the following principles: When a buyer intends to develop some software further, he is to be authorized to hand it on by way of pertinent accords. One furthermore has to set down in the contract to what extent the original producer is to receive a share of the money the buyer collects from third parties, as to Article 26 Paragraph 4 of the 23 November 1983 order on effective accountancy in R&D.¹⁶ These principles apply through service contracts to other software.

By admitting such accords to the software production and use contracts, the cooperation partners assume the obligation strictly to abide by the fulfilment of commitments assumed. The sanctions relative to material economic law accountability turn out to be suitable means for bringing this about. Threatening sanctions is, among other things, to ensure contract obligations and, when applied in case of duty violations, to make up for any damage caused among the economic units, inducing the contract violator to act duty-bound in the future.¹⁷ As there are no legal rules in effect in general on matters pertaining to contract sanctions, it is up to the cooperation partners to set down contractual fines in the contracts for the unauthorized passing on of software, as to VG Article 56 Paragraph. The sanctions to be agreed on are to be apportioned in such a way that, for one thing, the software producer is compensated for damage and, then also, the partner who has infringed the contract is induced to behave properly henceforth by way of economic incentives. As the circumstances causing such duty violations mostly are subjective ones, one should also preclude the chance of proving that the circumstances leading to the duty violation were unavoidable (cf. VG Article 56 Paragraph 2).

In summarizing one may say: In the commercial contracts on producing and using software, a contractual fine ought to be agreed on as to VG Article 56 in that the data is passed on unauthorized. The fine should amount to roughly 1.5 times the price of the software, whereby one will take care of the damage claims the original producer is entitled to. No claim exists against a user who benefited from the unauthorized passing of data.

One must also, however, take account of cases where the original software producer has ascertained someone else uses the software that comes from him but the user cannot document from whom actually he did get the software. In an exceptional case like that we are of the opinion that the first producer has to be granted a claim to a contract *ex post facto vis-à-vis* the user, so that he will be entitled that way to cash in on what he otherwise would have been deprived of. In the end it often is difficult in practice to prove from whom a user did get the software in question.

We may summarize and say: If a software producer finds out that an enterprise uses software he has made and cannot prove from whom it was bought, the producer has a claim against this enterprise for the signing of a contract *ex post facto*, so that the price is effect is paid him. This claim is under no time restriction. It can be registered at any time, irrespective of the time of the performance. After having found out about this, though, the statute of limitation has to be paid attention to (VG Article 112 Paragraph 1 Sentence 2 and Article 113 Paragraph 2).

One should also consider the possibility that a user removes hardware from his fixed assets, intending to sell it, together with basic software, to a third party. The point here is that the hardware with the basic software can be sold as the hardware without its basic software is useless. What applies in this case then is not the protection of software from unauthorized subsequent use, but the handing on of a complete performance as of VG Article 38. For that reason, when such hardware is passed on, one needs no agreement from the first producer of the basic software or any accord authorizing the further transaction.

On Some Other Problems in State Contract Court Jurisdiction

The State Contract Court considered a case where a software producing enterprise demanded a contract on repurchasing software with reference to the inventory utilization order.¹⁸ The enterprise argued for its claim by maintaining that software was to be treated as a product, through which it would become subject to the order in question. While seeking a decision, the assumption was that the software product also amounted to a non-material result outside of the range of this order. As a model and in its purpose it is aimed at products and materials, not at non-material results.

Greater importance attaches now also to the questions of the range of the delivery obligation existing for the producer of hardware and software or to the purchase obligation the buyer has when hardware is made available. In this context one may point to the general delineation of responsibilities for elaborating and making basic and application software contained in the 13 January 1986 order on the planning, balancing, and settling accounts for software. The performance ratios on making hardware and basic software available are subject to the particular point, however, that the use value or functionality of hardware is greatly determined by the basic software. Proceeding from this functional connection it is therefore in principle incumbent on the producer contractually to ascertain and to perform the delivery and assembly of hardware and of basic software in form of a useable and complete performance as to users' demands (VG Article 38 together with Article 11 of the second DVO/VG). One cannot deduce from that, however, that a buyer must still take hardware and basic software even when he has no need for the basic software. Here too the general principle has to be respected that no one is obligated to accept a performance he does not need.¹⁹ Some other specifics inevitably follow from this, reflected, e.g., in a modification of an ensured starting up operation by the hardware manufacturers. This also pertains to the guarantees to be granted, which may then be confined merely to pure hardware.

New requirements for concluding contracts on the elaboration and use of software also arise from the 26 February 1986 order on information and consultation services for the development, production, and multiple use of software in the GDR²⁰ and the subject matter-oriented balancing of software, as regulated in the 13 January 1986 order on the planning, balancing, and settling accounts for software. By and large one may assume that software with a developmental expenditure of more than 500 hours is subject to balancing, the decisions being made on the basis of information from the Central Information Bank and the subject matter-oriented facilities. For the cooperation law organization of exchange relations

through software it follows that one would base the concluding and fashioning of contracts on the decisions by the competent balancing organs and, in utilization contracts, always obtain information from the subject matter-oriented consultation and information facilities so that, particularly, duplicate development is avoided and, on the whole, a multivalent utilization of extant software in the GDR is ensured.

When someone asks for new development in software he must provide the evidence for that such software is not yet available in the GDR. This he can do by presenting a data bank print-out showing that the desired data is not yet in storage.

FOOTNOTES

1. Cf. "Direktive des XI. Parteitages der SED zum Fuenfjahrplan fuer die Entwicklung der Volkswirtschaft der DDR in den Jahren 1986 bis 1990" [11th SED Congress Directive on the 5-Year Plan for the Development of the GDR Economy, 1986-1990], Berlin, 1986, p 26.
2. Cf. "Anordnung vom 13. Januar 1986 ueber die Planung, Bilanzierung und Abrechnung von Software, Richtlinie Ziff. 1.1," GBL [legal gazette] No 4 p 34.
3. Ibid.
4. GBL I No 9 p 94.
5. Cf. WIRTSCHAFTSRECHT 1/1984, p 21.
6. Cf. K. Bernstein and K. Foerster, "On Legal Aspects in the Exchange of Machine-Oriented Computer Software," WIRTSCHAFTSRECHT, 4/1984, p 100; E. Heera, "Once Again on Legal Aspects in the Exchange of Computer Software," Ibid., 1/1985, p 13; E. Prager and E. Richter, "On Topical Theoretical and Legal Economic Problems in Software Production," WIRTSCHAFTSWISSENSCHAFT 12/1985, p 1772; E. Heera, "Classification of Economic Contracts and Software," STAAT UND RECHT 11/1986, p 856.
7. GBL I No 30 p 409.
8. Cf. E. Heera, "Classification . . .," op. cit., p 857.
9. Cf. Figure 2 Paragraph 2 in the Guideline for the Planning, Balancing and Account Settlement for Software," op. cit.
10. Cf. Bernstein and Foerster, op. cit.
11. Cf. E. Heera, op. cit.
12. "Gesetz vom 27. Oktober 1983 ueber den Rechtsschutz fuer Erfindungen--Patentgesetz--" (GBL I No 29 p 284).
13. Cf. E. Heera, op. cit.
14. Op. cit.

15. Cf. E. Heera, "Once Again . . .," op. cit.
16. GBL I No 36 p 387.
17. Cf. Commentary on the VG, Berlin 1985, 4th part: Accountability for Duty Violations (Preface), p 243.
18. "Anordnung vom 14. April 1983 zur periodischen Ermittlung nicht benoetigter verbraucherseitiger Bestaende durch die Bilanzorgane sowie ueber die Verantwortung und materielle Stimulierung der Hersteller fuer den effektiven Einsatz der Mehrbestaende ihres Produktionssortiments--Bestandsverwertungs-Anordnung--" GBL I No 13 p 146.
19. Thus in the case of Az. 22-B-780/86 (unpublished) it was ruled that a customer may not be compelled, as the producer demands, to sign a contract or receive hardware, including basic software, if he has no need for the operations system offered.
20. GBL I No 9 p 94.

5885

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DEVELOPMENTS IN COMBINE-UNIVERSITY RESEARCH COOPERATION

East Berlin WIRTSCHAFTSRECHT in German Vol 18 No 2/87 (signed to press 24 Feb 87) pp 38-42

[Article by Prof Dr sc Richard Klar, staff lawyer of the GDR Academy of Sciences: "On the Further Development of Research Cooperation between the Combines and the GDR Academy of Sciences"]

[Text] Research cooperation between combines and the institutions of the GDR Academy of Sciences (AdW), as well as universities and specialized colleges, has attained a new quality since the research ordinance came into force. (Footnote 1) (Ordinance of 12 December 1985 on management, planning and financing of research at the GDR Academy of Sciences and at universities and specialized colleges, in particular research cooperation with combines--research ordinance--(GBI. I 1986, p 12). On the basis of the plan, and with the help of the commercial contract, close interlinking of research by the Academy and universities with production has been achieved. As is made clear by the high level of binding agreements, the commercial contract is used to a great extent as a means of implementing economic strategy. From this result higher basic demands on commercial contracts to be concluded within the framework of research cooperation:

1. Legal provisions aim at developing research cooperation between combines and the AdW, as well as universities and specialized colleges. This takes into account the fact that the combines are entrusted with the "economic responsibility for all decisive phases of the reproduction process in their sector," that they combine the "decisive capacities in science and technology for the rationalization of their technologies as well as quality-determining ancillary supplies", thus greatly determining the successful implementation of the economic strategy. (Footnote 2) (G. Mittag, "Theoretische Verallgemeinerung der Erfahrungen der Entwicklung der Kombinate fuer die Leistungssteigerung in der Volkswirtschaft, insbesondere bei der Nutzung der qualitativen Faktoren des Wachstums" [Theoretical Generalization of the Experience of the Development of the Combines for Increased Performance in the Economy, Particularly in Using the Qualitative Growth Factors], in: Leistungssteigerung der Kombinate und oekonomische Strategie, Abhandlungen der Akademie der Wissenschaften der DDR, Veroeffentlichungen der Wissenschaftlichen Raete [in: Increased Performance of the Combines and Economic Strategy, essays by the GDR Academy of Sciences, Publications by the Scientific Councils], East

Berlin 1984, p 18). Based on that, the resolution of 12 September 1985 on the principles for organizing industrial combines' economic relations with the institutions of the Academy of Sciences and academic institutions contains certain presettings with regard to the partnership structure. (Footnote 3) (GBI. I 1986 Nr 2, p 9). It provides that the combines in principle function as contractual partners of the institutions of the AdW and academic institutions. As a consequence, a partnership for these contractual relations, equivalent to the position of combines, must be ensured in the sector of the Academy and academic institutions. Coordination contracts are, therefore, concluded exclusively between the combines and the research sectors of AdW. General service contracts are concluded either by combines or combine enterprises in accordance with the decisions of the general directors of combines (Art. 20, par. 2 VG); on the part of the AdW, the institutes act as partners in general service contracts.

2. While the linking of science and production in the combines is uniformly managed by the general directors, the cooperation process between various branches and sectors must be jointly managed by the participating partners. In these cases, the contract not only is the basis for service performance, but also the basis for ensuring this joint management of research cooperation, which must be implemented through coordinated or joint decisions of the partners in all important problems of their relations. As practice has shown, a more or less regular adaptation of individual decisions by the partners is not sufficient. The higher standard of cooperation management, required in the course of comprehensive intensification, can only be achieved if the partners make decisions which are equally binding for both sides and agree in content. The forms of this joint managerial activity must be contractually agreed upon.

3. The resolution contains the provision that, in the coming phase of intensification, significant innovations are needed which can only be produced by basic research reaching far into the future. Research cooperation between combines, AdW and academic institutions thus consists of research tasks of a strategic nature, not of scientific-technical problems of current production or other scientific-technical tasks which are the responsibility of the combines. So the resolution provides for determining the major areas of research cooperation in the coordination contracts, in order to create stable foundations, through joint strategies for scientific-technical development, for contractual cooperation in concrete tasks of specific basic research and applied research. The elaboration of joint research and development strategies of the partners requires both well-founded analytical/ prognosticating work and definite implementation of the resolutions regarding development of scientific-technical progress.

4. The main concern of the new legal provisions for organizing the research cooperation of scientific institutions with combines consists in achieving top performances in the decisive sectors of science and technology, particularly in key technologies, which can be used economically to a much more profitable extent. The general service contract must, therefore, aim at implementation of setting goals of levels determining world standards. For this reason it is necessary that the general service contracts

- estimate and establish the levels of the planned goal settings in a differentiated manner,
- precisely define the quality of the research results to be created with the scientific, technical and economic indices and parameters to be achieved,
- determine extent and level of the innovative results to be achieved, as well as the extent of freedom from warranties in title.

5. As can be seen from the resolution and the research ordinance, it is a matter of securing an economic linkage of science and production through research cooperation. From this arises the task, with the aid of the general service contract, of implementing economic requirements in the renewal process, from research to development, from production to marketing. This means particularly research tasks and goals along economic lines, material-technical securing and intensification of the research process, application of economic categories in the evaluation and transfer of research results, securing the technological application of the research results, their transfer into production and use in foreign trade, as well as comprehensive utilization of the principle of material interest. It is the task of general service contracts on research cooperation to set down economically relevant decisions of the partners, to steer economic processes in the respective economic units, to interlink their economic cycles, and to coordinate the economic interests of the partners with the economic requirements of overall societal development. The resolution contains the principle that contract performance must be economically advantageous for both partners. In this context one must also point to the legal obligation of combines to establish the economic value of utilizing inventions and other research results and to inform cooperation partners (Art. 15, par. 3 of the research ordinance). This must also be covered by concrete contractual agreements.

6. The orientation of the resolution to multiply the effectiveness of intellectual potential, with the help of close cooperative interlinking of science and production, addresses above all the role of the intellectual-creative potential of man and of socialist cooperative work in the scientific work and research process. The general service contracts on research cooperation have the task of ensuring the concentrated use of the partners' research and development potential, as well as influencing the appropriate organization of cooperative work. It is necessary in particular to come to definite agreements on cadre exchange, the forming of capable research, development and transfer collectives, and stimulation of high performance.

7. Due to the importance of science and technology in the international class struggle, the strategic nature of the research tasks which are to be solved within the framework of cooperation relations with the combines, the fact that research results by their nature are particularly endangered, and due to existing legal protection requirements for certain research results, it is absolutely necessary to implement strict maintenance of secrecy in dealing with the results of scientific work. The tasks for the cooperation partners resulting therefrom must be carefully taken into consideration in preparing the general service contracts and tasking schedules.

8. Lastly, it must be pointed out that, under Art. 5, par. 2 of the research ordinance, international socialist scientific cooperation must be organized, taking into account the contractual research cooperation between combines, the Academy and academic institutions. Securing coordination between national and international socialist cooperation is of relevant significance, particularly in view of implementation of the complex program of scientific-technical progress of CEMA member states.

As evaluations of the level of research cooperation with combines indicate, the general service contracts concluded do not always conform to these requirements. Above all, often goal settings determining world standards are still lacking, i.e., the necessary orientation toward top performance. For this reason, for example, clear orientation of general service contracts of combines with the scientific institutions in Berlin toward economically useful and saleable top products was demanded at the 4th meeting of the Berlin SED bezirk management. (Footnote 4) (Compare H. Albrecht, "Auftrag an Berliner Parteiorganisationen: Forschungskoooperation intensiver gestalten" [Challenge to Berlin Party Organizations: Research Cooperation Must be Organized More Intensively], NEUER WEG 21/86, p 812.) It was demanded that the quality of general service contracts be assessed precisely and, if necessary, to make alterations. In the further development of research cooperation it is generally a matter of ensuring that, through creative scientific-technical performances of international standards and their wide utilization, the GDR in close cooperation with other CEMA countries and the USSR keeps up with the progress of the scientific-technical revolution and the rapid development of productive forces on an international level, and that international top positions are achieved in decisive sectors, as stated in the law on the 5-year plan for the development of the GDR economy from 1986 to 1990. (Footnote 5) (Paragraph 2, Nr. 2 of the law of 27 November 1986 on the 5-year plan for the development of the GDR economy 1986 to 1990. GBl. I Nr. 36, p 449). The further development of research cooperation aiming at this goal makes it necessary to assess the experiences up to now in the process of forming these relations. Some of these experiences and resulting legal questions will be dealt with in the following.

Elaboration of Coordination Contracts

At the conclusion and content preparation of coordination contracts, a major concern consisted in filling the content frame provided by law with concrete rights and duties of the partners. As a rule, the content was subdivided into 8 paragraphs and contains agreements on

- the major areas of research cooperation with data on the long-term plans of task complexes and goal settings (including assignment of general service contracts appropriate to the partners);
- measures corresponding to joint research strategy for the preparation and implementation of protection rights strategies;
- development of socialist cooperative work and cadre exchange;
- material-technical and informational securing of research and its transfer with stipulations on the joint construction and joint use of technical means, laboratories, etc., making available equipment, installations and materials by the combines, and cooperation in the field of information flow;

- coordination of management and planning activities;
- guaranteeing the protection of secrets;
- preparation, content formulation and conclusion of general service contracts with provisions for the duties record books, contractual agreement on quality, preparation and execution of defenses, payment and billing rules, availability of subject-specific fixed assets, transfer and utilization of the results, innovative activity and legal work on title protection, material responsibility, etc. In part, these stipulations are added to the coordination contracts as "general contractual provisions" of the partners, or as "general terms for the conclusion, elaboration and fulfillment of general service contracts."

The concrete fleshing-out of this framework was not always successful. In some cases, the partners left it at basic statements which were combined with a reference to more details in the general service contracts. This trend occurred particularly in the case of measures to be agreed upon in the coordination contracts regarding the preparation and execution of joint strategies on protection rights, development of socialist cooperative work, cadre exchange, and material-technical securing of research and transfer.

If no agreements are reached on these questions in the coordination contracts, it harms to a considerable degree the quality of research cooperation and the level of research results achieved in the implementation of these tasks. For example, the lack of a joint strategy on protection rights, from which provisions for innovative activity and work on protection rights can be derived, as a rule has the consequence that innovative goal settings are not included in the general service contracts or the duties record books, or cannot be defined precisely enough.

An important task, to be solved within the framework of the coordination contracts, consists in setting down the necessary provisions so as to ensure joint management of the research and cooperation process. In particular, this concerns analytical/prognosticating work, planning, work with duties record books and protection rights, transfer, foreign trade use, etc. It must be noted that for these and other areas, regulations by the combines and the AdW exist. Although these regulations are based on the same legal provisions, but derive from different conditions of application and, therefore, are different in content. If no uniform provisions are made for them in the coordination contracts, it can lead to differences and delays in concluding general service contracts.

In the endeavor to ensure as precise as possible coordination of the content of general service contracts, in addition to the coordination contracts, now and then basic contracts were concluded under Art. 40 VG. This, however, resulted in an unnecessary duplication of service-preparatory contractual agreements. It is well known that the regulation of the coordination contract under contractual law is based on the premise that coordination of management, planning and economic activity, as well as preparation of future service relations, form a uniform process, so that coordination contracts should also contain agreements on the essential content and conclusion of general service contracts (Art. 35, par. 2 VG). If in principle one must answer in the

negative the question whether basic contracts are necessary when coordination contracts are being concluded, then this holds especially true in the case of concluding coordination contracts in accordance with Art. 9 of the research ordinance, since it prescribes in binding fashion that principles for the preparation and content form of service relations must be included in the coordination contracts. Therefore, according to Art. 9 of the research ordinance, there is no room for concluding basic contracts in addition to coordination contracts.

Elaboration of General Service Contracts

As a rule, the subdivision of contracts on research and development services was carried out according to the principles listed in the addendum to the research ordinance. Sometimes more detailed model contracts were developed in order to make it easier for the scientists to work with contracts. The object of these contracts on research and development services is always the solving of a given research task with the goal of creating new research results. Thus these are not contracts in which the customers tie up the total research capacity of the suppliers. Rather, the task to be solved and its scientific, technical and economic objectives must be precisely defined in every contract. It must be noted, however, that in accordance with Nr. 2 of the resolution and Art. 10 of the research ordinance, contracts for research and development services must always be combined with duties record books.

In some cases it was agreed upon to prepare annual task settings or annual work plans in support of the general service contract. However, such annual work plans or annual work programs cannot substitute for duty record books. If annual work plans are prepared in addition to duty record books, it would at least have to be contractually agreed upon who is to work out and confirm such work plans, and in which way they become an integral part of the contract. Cases of this kind indicate that, sometimes, solid preparation of research tasks is still lacking. It is, therefore, necessary that the quality of task preparation be increased. An effective contribution must be made to this matter through purposeful application of the ordinance of 11 September 1986 on the renewal section and the duties record book. (Footnote 6) (GBl. I Nr. 30, p 409).

Of equal importance is the precise definition of the quality of research results. In accordance with Art. 10, par. 2 of the research ordinance and Nr. 2 of its addendum, it is to be carried out by agreement of the partners. But since the duty record book is an integral part of the contract (Art. 9, par. 1 of 1. DVO/VG), the quality provisions contained therein are legally a part of the contract content (Footnote 7) (Compare U. Gerberding/E. Suenß, "Qualitätsbestimmung im Wirtschaftsvertrag" [Definition of Quality in Commercial Contracts], WIRTSCHAFTSRECHT 3/85, p 61), so that one must distinguish between the legal contractual content (set down in the duty record book) and the optional content (i.e., agreed upon in addition to the duty record book). This should be clearly expressed in the contract.

Quality must be determined by technical, technological and economic indices and parameters, by data on the increase in knowledge and the innovative level to be

achieved, by defining the extent of freedom from deficiencies in title and determining other characteristics and requirements. This must be done in a differentiated manner according to the grouping of research tasks in basic research, applied research, development of products and procedures, taking into account the particulars of the individual research fields (chemical research, physical research, etc.). In practice, this differentiation is not always observed sufficiently. Overall references to the law, to provisions to be established in the annual work plans, etc., must be considered inadequate.

Furthermore, for determining quality, the legal provision is essential that the AdW and specialized colleges must provide the combines with their research results in an applicable form, to be established in the contract (Art. 4, par. 2 of the research ordinance). Demands as to quality may also arise from the manner of the planned application of results (Art. 45, par. 1 VG). (Footnote 8) (Compare U. Gerberding/E. Suess, op. cit.)

Proper definition of the quality of research results is the precondition for the correct application of the legal institution of warranty. (Footnote 9) (K.-D. Schwenk, "Zu einigen rechtlichen Aspekten bei der Anwendung der Forschungsverordnung" [On Some Legal Aspects in Applying the Research Ordinance], WIRTSCHAFTSRECHT 4/86, p. 87). In this context it is often stated that in tasks of basic research, it is not possible to also guarantee technical implementation and economic utilization of the result, nor the functional or service capability of the product or procedure (Art. 12, par. 1 of the 1. DVO/VG). It must be noted that, under Art. 12, par. 2 of the 1. DVO/VG, the partners can come to divergent agreements if the specific conditions of performance demand it.

It must be evaluated within the framework of the concluding defense whether the research results obtained live up to quality demands. This defense must be made before the contractual partner in accordance with Art. 15 of the 1. DVO/VG and Art. 14, par. 3 of the ordinance on the renewal pass and the duties record book. Under Art. 4, par. 3 of the research ordinance, it is to be carried out in bodies knowledgeable in the field, whose composition is to be agreed upon by the partners. Application of these legal provisions requires precise contractual accords. It has been useful in practice to make agreements on how the defenses are to be prepared and whose responsibility it is, management of the defenses, execution of the defenses in appropriate bodies and the composition of these bodies, recording of the results of the defenses, and decisions to be taken on the basis of the defense.

Some uncertainties have arisen in contractual agreements on making available subject-specific fixed assets (TMG) which were frequently caused by insufficient presettings in the coordination contracts. On the basis of the research ordinance, usually the following possibilities of procuring subject-specific fixed assets must be developed in the contract:

--The customer makes subject-specific fixed assets physically available to the supplier. In these cases, the customer remains in possession of the subject-specific fixed assets funds so that they are not included in the cost accounting (Point 4 of the model costing account). It must be decided in the

concluding defense whether the supplier has to return the subject-specific fixed assets, or may continue to utilize them.

--The customer provides the funds and accounting shares necessary for procuring subject-specific fixed assets so that the supplier can procure the subject-specific fixed assets. In this case, the customer is the owner of the funds, and the supplier becomes the user of subject-specific fixed assets which, naturally, in this case are also not entered in the cost accounting. Their return, or further utilization, is to be decided in the concluding defense.

--The subject-specific fixed assets are procured by the supplier at his expense and with his own accounting shares. Thus he becomes temporarily the fund owner of the subject-specific fixed assets, and the corresponding expenditures are included in the price calculation. If it is decided in the concluding defense that the subject-specific fixed assets remain with the supplier, he has to pay the customer for them.

Since the allocation of technical equipment is of fundamental importance for research institutions, the inherent stimulation effects should be utilized more effectively. This is only possible, however, if the combines are willing to assume greater responsibility for procuring the subject-specific fixed assets.

In preparing and concluding general service contracts, at first questions of agreement on price and payment played a large role. This was due to the fact that the provisions of the research ordinance on financing and pricing contained many new elements. On the basis of experience now available, the following must be noted in particular: According to Art. 19, par. 1 of the research ordinance, agreed prices must be established for all research tasks whose fulfillment is the subject of contracts on research and development services. These agreed prices are to be calculated and contractually agreed upon according to the legal calculation scheme of Art. 18, par. 2 for the overall service. If no accord is reached, a price application can be filed. (Footnote 10) (Art. 2, par. 6 of the AO Nr. Pr. 305 of 17 November 1983 on the procedure of price application, GBl. I Nr. 35, p 371; I.d.F. of AO Nr. Pr. 305/1 of 20 February 1985, BGBl. I Nr. 8, p 91). This legal provision is not observed if the price is not fixed in the contract and it is only agreed upon that the supplier has to submit the calculation of the agreed price to the customer. It is also inadmissible to make payment of the agreed price dependent on the occurrence of certain conditions at the industrial cooperation partner (for example, allocation of additional government funds), since combines have to ensure that funds in the required amount are made available for establishing the preliminary scientific work, including funds for tasks of the contractual research cooperation with institutions of the Academy of Sciences and universities.

Correct application of the research surcharge is of decisive importance for stimulating research. If only the normative research surcharge (which is centrally preset) is entered in the price calculation, then no additional criteria are needed for it to be paid. It must always be paid if the contractually agreed upon service is performed on time and in the proper quality (Art. 18, par. 6 of the research ordinance). If, however, a research

surcharge of up to 100 percent higher is agreed upon in the price, instead of the normative research surcharge (Art. 18, par. 7 of the research ordinance), this presupposes that the supplier assumes the obligation to provide an outstanding performance whose parameters must be contractually stipulated. If overfulfillment occurs in such first-rate performances, the (already higher) research surcharge agreed upon in the price can be further raised by up to 50 percent of the normative research surcharge. It must be assessed in the concluding defense whether such overfulfillment exists. It is, therefore, not sufficient if the contract stipulates, for example, that granting of the research surcharge is to be made on the basis of the research ordinance.

It must also be pointed out that an interim rendering of accounts is bindingly prescribed for research tasks whose execution takes longer than a year (Art. 19, par. 2 of the research ordinance). This is justified by the fact that the funds necessary for financing research up to the income-producing stage are only temporarily allocated to the Academy and the universities from the state budget and, therefore, must be returned continually (Art. 17, par. 2 of the research ordinance). The legally prescribed interim rendering of accounts does not require an additional interim report nor a special interim defense (see Art. 8, par. 2 in connection with Art. 19, par. 2 of the research ordinance). The demand for an interim defense and interim report to be made specifically for the interim rendering of account is, therefore, not justified. If, however, the duties record book specifies conclusion of, and accounting for, a work phase for the period in question, then this forms the basis for an interim rendering of accounts. The same holds true in case there are annual work plans in support of the duties record book. In this case, proof of fulfillment of the annual work plan is also the basis for the interim rendering of accounts.

Just as it is important to aim Academy and university research at top level performances, it is also necessary to secure rapid economic utilization of the results achieved. For this reason, the resolution and research ordinance contain regulations to the effect that the results of basic and applied research be regularly adopted in the development of first-rate products and technologies and be utilized in production quickly and with high economic results.

However, experience shows that, as a rule, inadequate agreements are made in the contracts to ensure transfer and other uses and utilization of research results. It is, therefore generally necessary to pay greater attention to this problem in formulating general service contracts. At the same time, the various possibilities of economic utilization, and the particularities inherent in the nature of Academy and university research, must also be taken into account. It is useful to note the following

--First of all, there must be contractual agreement on how to ensure further processing of the research results so they are ready for production. Since the Academy Institutes, for example, have to solve predominantly research tasks (development tasks to a much lesser extent), as a rule they cannot carry out a complete product or procedure development. From the supplier's obligation to ensure a useable form of research results, one cannot derive the demand for results which can be used in production without any further work. For this

reason, the tasks to be solved by the customer in connection with further processing of the results, including cooperation by the supplier, must be stipulated in the contract.

--Based on the provision in the duties record book, agreements must be made on ensuring transfer into production, whereby it is important to contractually stipulate the cooperation of the partners, based on division of labor, including the necessary measures in the area of investment. In this context it must be noted that there must be clarity in these contractual agreements with regard to the utilization goals of the combines, to be determined on the basis of long-term strategic work (Nr. 3 of the resolution). But it must also be stressed--in case there is insufficient clarity in this regard at the time of concluding the contract--that there is the possibility of making the contract more precise, step by step, and finally stipulating the necessary provisions in the concluding defense.

--Also needed are concrete stipulations on the transfer of research results for utilization within the GDR. This is to be based on the principle of Art. 18, par. 3 of the 1. DVN/VG, according to which both parties to the contract have a general right to such transfer. The regulations of the research ordinance are also based on this principle (compare Art. 10, par. 2, Articles 11 and 20). The definite rights and obligations of the partners with regard to transfer must be contractually stipulated, particularly the extent of mutual coordination and the manner of division of [income from] leasing.

-- For the foreign trade utilization of research results, in accordance with Article 16 of the research ordinance, the rights and obligations of the cooperation partners, including participation in income, must be stipulated in the commercial contracts. Two cases must be distinguished:

1. For certain intangible services, the supplier receives a separate export order from the appropriate foreign trade enterprise, which forms the basis for the plan-effective accounting of the export.
2. If no export order is issued, it is contractually stipulated that intangible services by the supplier are registered and accounted as direct exports.

As a rule, the former option is used in practice.

9917

CSO: 2300/288

NEW PZPR CC ECONOMIC COMMISSION HOLDS INAUGURAL MEETING

Warsaw RZECZPOSPOLITA in Polish 20 Mar 87 pp 1, 2

[Article by T.F.: "The Nation's Social and Economic Development -- What Helps and What Hinders -- Inaugural Meeting of the PZPR Central Committee Commission"]

[Text] (Own information) On 19 March, the Central Committee's Commission on Economic Policy, Economic Reform and Worker Self-Management held an inaugural meeting chaired by Politburo Member and Central Committee Secretary Marian Wozniak.

The commission will concentrate its attention on the prognosis and realization of the party's economic policy and assessment of the implementation of yearly and long-term plans for social and economic development. It will also provide political supervision over the implementation of the second stage of reform, act to harmonize public needs and expectations with economic requirements and analyze changes for intensifying the rigors of efficiency, etc.

The first deputy chairman of the Council of Ministers Planning Commission, Franciszek Kubiczek, presented an extensive commentary on a preliminary evaluation of economic results and the realization of the 1986 central annual plan which was had been provided to the members. Generally speaking, last year was a good one for the economy. The dominant trends were positive ones and this has contributed to further economic growth.

There was a rise in production in all areas of industry and this contributed to a higher increase in the national product and therefore a quicker rise in consumption and an improvement in the public's standard of living, especially its nutritional standards. Industrial energy consumption was lowered while labor productivity and the productivity of fixed assets increased. There was an improvement in the structure of realized investments, work time was better used and good results were also noticed in foreign trade. The agricultural situation in both crop and livestock production also improved.

However, there were also some negative sides of last year's economic achievements. We again failed to achieve the planned improvement of economic equilibrium. Inflation was not overcome and to a large extent, this was because of the excessive growth in the monetary income of the public. Supply problems caused a drop in the production of many industrial consumer goods. There was a higher than planned rise in foreign currency debt. Economic incentives did not work as well as hoped in enterprises. Livestock herds were

smaller and milk purchasing dropped (in the first two months of this year, the situation improved somewhat). Housing construction also fell short of its plan.

It is still too early to make any prognosis for the present year although unusually bad atmospheric conditions in the first two months (and in the first 10 days of March) have forced enterprises to work harder to recover losses. Actions aimed overcoming the bad effects of winter should involve an acceleration of qualitative changes.

A discussion between 13 members of the commission covered many economic problems mentioned in statements by M. Wozniak and F. Kubiczek as well as the key economic issues of our country. The topics discussed were: the effects of decapitalization of fixed assets (Stanislaw Kubica); the problems posed by inflation and its close connection with the differences between wage hikes of 18 percent in the first two months of this year and the three-percent increase in work productivity (J. Soldaczuk); the connections between a drop in material supplies and downtime in industrial plants (Minister Grzywa); nonmaterial incentives (A. Sajkiewicz); the totally incomprehensible situation in which material shortages go hand-in-hand with manpower shortages (Stanislaw Knap); pricing policy (K. Ryc); coal export and international buying cycles (Minister Szlachta); foreign-currency accounts (E. Pustowska); and the fact that good firms must work to support weak and poorly-managed ones (S. Marczuk).

Marian Wozniak spoke at the conclusion of the meeting. He praised the course of discussions and replied to certain statements. He pointed out that the activities of some enterprises concerned only with their own problems can work against the public interest. A great and lasting danger is posed by the continued overgrown bureaucracy, the proof of which is the fact that Poland has an army of 420,000 book-keepers which seems to be much too large. Meanwhile, there is a shortage of personnel for important services such as health care, business and education. Marian Wozniak also pointed out the need to lower production costs and introduce more advanced technology. For such measures to be effective, they must be supported by worker self-management and the party and union organizations.

Marian Wozniak also pointed out a problem of enormous economic significance: all of the highly-industrialized countries of the world have an iron rule of investing more in materials conservation than in consumption. In Poland, however, our efforts to conserve coal are still in their infancy.

M. Wozniak also spoke about the threat posed by wage hikes that exceed plans. If, in comparison to the same period of last year, wages rose by 18.7 percent in the first two months of this year and production fell by 0.4 percent, it does not require a profound knowledge of economics to see what the effects will be. The imperative task of our economy is to achieve effective growth and in that regard, we must admit that last year was not a satisfying one despite the good production results.

12261

CSO: 2600/496

PRODUCTION, SALES PLANS FOR 'MAZOVIA' COMPUTER

Warsaw ZYCIE WARSZAWY in Polish 26 Mar 87 pp 1, 6

[Article by [zaw]: "2000 Computers This Year -- A Backbreaking Path of Foreign-Currency Purchases -- Hopes For Export -- 'Mazovia' Already In Series Production"]

[Text] (Own information) Many firms have waited a long time for this news: Poland has finally begun the series production of a professional 16-bit microcomputer.

The product is called the "Mazovia 1016" and is part of a system that includes a Polkolor monitor, Mera printer and keyboard made by Refa in Swiebodzin.

The Mazovia is the child of the Microcomputer Sales and Production Enterprise. This firm is a limited company consisting of 15 firms, mostly from the Warsaw region. The deputy technical director of the company, Andrzej Bibinski, spoke about the production of the Mazovia and its peripheral equipment and about the future of this computer at a plenum session of the Design and Research Computer Users Club. The meeting was held at the Warsaw headquarter of the Chief Technical Organization and many of the firms that are members of this club showed great interest in the product.

The most impressive question was that of when the company would begin filling orders for the new computer. This year, the enterprise will turn out about 2000 of these systems and next year, that figure is expected to reach 5000. In two years time, the production will reach 10,000 and the final production level is expected to reach an annual level of 30,000 systems. However, can these plans be fulfilled? That depends on whether a high-level decision is made for a government order. The company's recommendation is already in its 5th version and is waiting for an answer from the Technical Progress and Innovation Bureau. The government orders would cover specific assemblies such as disk memories.

There is already a full portfolio of orders for the Mazovia this year. At the present time, the company possesses enough subassemblies and materials to put together 600 systems. The purchases needed to make the planned 2000 systems are presently being arranged by Metronex.

It is fairly backbreaking work to obtain the necessary parts and assemblies on the foreign-currency market. Since foreign-currency deductions have been blocked, purchases are made by exchange. Modern electronics are reaching Poland thanks to the sale of surplus apple pulp, chickens and silver, etc. The Microcomputer company must sometimes make purchases from private individuals. Since the goal justifies the means and there are fortunately no regulations preventing a state enterprise from making purchases from private individuals or firms, Mazovia is being produced even if they are some difficulties involved.

The computer's design is a Polish one. What is most important of all is that the Mazovia is a device that meets world standards and is compatible with IBM standards. It also has a CEMA number which means that it can be exported to all of the socialist countries in accordance with the accepted CEMA pattern. As Director Bibinski said, the Microcomputer company is trying to keep up with world standards. That is why the Mazovia was so designed as to be able at some time in the future to replace western subassemblies with those manufactured in the CEMA countries and to use programs developed throughout the world. And it must not be forgotten that the Mazovia's IBM standard and goods quality means that it can be sold abroad.

Export is also one of the business interests of the company. Obviously, it is hard to say anything about sales to the West but our chief buyers should be our partners among the socialist states and especially the USSR where there is an enormous demand for modern equipment of world standards. The company also intends to promote its product among the third-world countries where the competition is really great. However, not all of these countries have the dollars to buy our computers. The only problem in the export of Mazovia computers is service because it is very expensive to maintain specialists in nonsocialist countries.

There will certainly be many eager buyers in Poland and this is demonstrated by the constant influx of orders. If the company reaches its expected production level of 30,000 systems per year, that will still be too low to computerize our economy and export while also exporting the product. Furthermore, depending on its accessories and design, one system may cost anywhere between 2.3 and 5 million zlotys. If a large number of firms wanted to buy these computers, this would involve a considerable effort at investment that not every branch of the economy can afford. For that reason, the Mazovia will not pose any great threat to private, cooperative, Polonia and Polish-foreign competitors. For them, the field of action will still remain the firms that do not need equipment of this class.

Since a professional 16-bit domestically-produced microcomputer has now become an accomplished fact, one might wonder whether it will be possible to find the programming necessary to put it to its proper use. Microcomputer offers programs but they are still too few. For that reason, the company is seeking partners who can help develop software. At the meeting, many of the club members who are good programmers immediately expressed in joining the company and they will most certainly all be very eagerly accepted.

12261

CSO: 2600/496

COST OF FOOD FOR CONSUMERS ASSESSED, COMPARED TO WEST

Warsaw TRYBUNA LUDU in Polish 26 Mar 87 p 5

[Interview with Professor Zdzislaw Grochowski, deputy director of the Institute for Agriculture and Food Industry by Ewa Fiala: "Complicated Question — Expensive Food or Cheap? — TRYBUNA LUDU Talks With Professor Zdzislaw Grochowski"]

[Text] If we take a look at the figures, we can without any undue exaggeration say that the Poles of 1986-87 are living in Saxonian times of eating, drinking and letting their belts out a notch. Indeed, we spend 44 percent of our money on food. That is still an average statistic which, as we know, varies from home to home and person to person, however one can ask whether our food is expensive or, as many say, cheap. We turned to Professor Zdzislaw Grochowski, deputy director of the Institute for Agriculture and Food Industry for an answer to this question.

[Answer] That all depends on how you measure prices. It is a fact that in developed countries, food expenses are not much higher and are sometimes even less than 20 percent of the total expenses of the statistical citizen. With such a comparison, one could say that our food is expensive.

Little For Each Hour and Day

[Question] But isn't that only half of the truth?

[Answer] In Poland, one produces considerably fewer goods per hour of work regardless of whether one works in agriculture or industry and that consider both monetary income and goods. One can say that the per-capita income is 6 times lower than in the developed countries. Therefore, there is little we can buy for an hour or a day of work. And one has to spend a lot of money for his or her primary need which is food.

[Question] And that need is also subsidized by the state budget because if it were not, things would be much worse for us.

[Answer] Last year, more than 400 billion zlotys were spent to subsidize food prices. And that is still not the full picture because we must remember that there are still indirect subsidies for food. This year, another 170 billion zlotys were spent from the state budget to subsidize agricultural production.

[Question] It is frightful to consider but if we ourselves were to bear the costs of all the different subsidies, food prices would go up 570 billion zlotys or 25 percent.

[Answer] Exactly. And it is worth knowing that these subsidies are only a small part of the total budget subsidies that have now reached a level of 1400 billion zlotys.

Everyone Sees Agriculture As It Is

[Question] Let us look at food a little closer.

[Answer] Then let us say a little more about the relationships between prices paid for purchases. If we compare prices for food and industrial goods or at least for those used in the home, food already looks much cheaper while a refrigerator, gas stove and even dishes seem more expensive. In developed countries, food is not only the counterpart but also the rival of industrial goods. For god meat, one pays as much as 12 dollars per kilo.

[Question] However, people feel that their food expenses are high. Many feel that agricultural production costs and the high prices paid to farmers are to blame.

[Answer] I agree. Agricultural production costs and purchase prices are high but...

[Question] Everyone knows what kind of agriculture we have.

[Answer] And we are paying the price for that. Purchase prices are set on the basis of the average yield of a 6-hectare farm which cannot be very productive. After all, we are obligated to maintain parity in farmer incomes. Our farmers' hard work does nothing to change the fact that the per-hectare level of production is barely 60 percent that of the western countries or of our neighbors.

A classic example of this is the production of grain. In Poland, three tons per hectare is something we are glad to achieve whereas 4.5 tons in the norm in Czechoslovakia or the GDR and 5 tons is the average yield in the European Common Market countries. In spite of our harsh climatic and soil conditions, we still have the potential to increase production and lower costs. At the institute, we have the proof of that. Since the middle of the 1970's, we have conducted research at more than a thousand farms specializing in livestock production. And what did we find?

In 1975 when grain production in Poland had reached a level of 28 q per hectare, it was 40 q and therefore more than 40 percent higher on socialist farms. Potato yields were 174 q and 249 q, respectively.

Who Produces Cheaply And Why?

[Question] However, are those figures not forgivable?

[Answer] Above all, they have been worked out. They are also the result of better equipment on the socialist farms. We estimate that they are twice better equipped than the average farm. The same is true of fertilizer. Where a private farm uses an average of 150 kg of fertilizers, "our" farms use as much as 270 kg. Specialists also spend twice as much on pesticides and herbicides. The value of production per hectare is therefore 70 percent higher and the income is 50 percent higher while the employment is lower. On the average for Poland, 27 persons are employed to work every 100 hectares while the figure on the farms we studied was just 15.3 persons. Work productivity in terms of the amount of income generated by all of agriculture was 240,000 zlotys while on the JERiGZ farms, the figure was 650,000 zlotys per employee. In sum, the production costs on these farms are about 30 percent lower.

[Question] These comparisons incline one to ask what this means in practice?

[Answer] It shows not only the possibility but also the means of lowering agricultural production costs which consists of making them dependent on the size of the farm, its equipment and the level of education of its employees.

[Question] However, how are we to overcome all of the barriers against creating good and efficient farms?

[Answer] It will, of course, be troublesome to create more efficient farms but we can no longer tolerate 27 persons working every 100 hectares and each farmer feeding no more than 7-8 people. From the point of view of public costs, the income level of the farmers themselves is also intolerable. Two years ago, each person employed in agriculture had 220,000 zlotys while those employed on the farms studied by our institute had 530,000. meanwhile, the prices for everything are adapted to the abilities of the former.

Agriculture's Weakness Is Weak Industry

[Question] Can we regard what you have so far said as a full answer to the question of whether food is expensive or not?

[Answer] We have barely touched the problem. It is very important to create a proper relationship between food and industrial products. Industrial products must above all be made less expensive to keep our money from being gobbled up but we are seeing just the opposite. Without contradicting what I have already said about the inefficiency of our agriculture, industry generally has greater possibilities for increasing labor productivity than does agriculture.

We can therefore achieve a good abundance of food within a few decades. It all depends on biological and technological progress in agriculture and we have already made some headway, chiefly through growth of the industries

producing goods for agriculture. As I have already said a number of times, in my opinion, the weakness of agriculture lies in the weakness of industry.

[Question] Agriculture cannot grow independently?

[Answer] Unfortunately not. If all other farms of similar size are to achieve results similar to those of the farms we studied, they must receive new equipment and machinery. They must use a minimum of 255 kg of fertilizer per hectare including 105 kg of nitrogen and must at least triple their use of herbicides and pesticides.

[Question] Greater efficiency and productivity of the industries supporting agriculture would lower the prices for agricultural means of production and therefore lower the costs of producing food.

[Answer] And more. It would also accelerate changes within agriculture itself.

[Question] Thank you for the conversation.

12261

CSO: 2600/496

NEW SUBSIDIES USED TO STABILIZE DAIRY PRODUCTION

Krakow GAZETA KRAKOWSKA in Polish 6 Jan 87 p 3

[Article by Tomasz Ordyk: "Relief for the Cows"]

[Text] Not so long ago we were threatened by a flood of milk. The milk processing plants could not keep up with the inflow of raw material because it was simply beyond their technical capacity. The processing plants, as a defense against the increase in deliveries, raised the minimum quality standards on the material they would purchase. An idea which in itself was reasonable, but the execution was faulted by the lack of technical and material support. Milk of the highest quality and of the lowest was shipped to the processor in the same container. Since milk is graded at the receiving point there was no other solution under the present system. A noticeable effect of this procedure was some caterwauling among the producers, now the matter has quieted down because the problems with overproduction are over.

For some time now we hear reports from various parts of the country about the reduction of the numbers of milk producing cows. This is a general tendency in all of Poland, which differs in proportion to the strain in the various regions. Last July's agricultural survey permitted a counting of head. In comparison with 1985 there are a half million less head of milk producing cows in Poland now. This is 5 percent of the total. In the Krakow region this decrease was higher--7 percent. The vacillations in the market for milk have a definitely economic foundation; they are tied to profitability. The production of milk is probably the most labor intensive agricultural activity, requiring heavy investment. The general growth in the profitability of agricultural production which resulted from the new tendencies in the farm policy has caused competition among the various areas of production. In this hierarchy milk has a separate place. We already know about the effects.

Engineer Kazimierz Dlugi, the director of the Zabierzow Animal Breeding and Fertilization Station, expressed the view that the situation is not yet alarming. Too many cows in Poland produce too little milk. The average yield per cow in our country is 2,600 liters per year which is the lowest yield in Europe. Dr Dlugi believes that from the genetic standpoint the cows bred in Poland are capable of reaching an average output of 3,500 to 4,000 liters per year under the condition that they are fed properly, for it is said that a cow does its milking with its mouth. This is also linked to

proper veterinary care, or briefly stated with the general improvement in the level of animal husbandry. This process is not accomplished on a daily basis, it requires awareness and proper direction.

The unfavorable conditions in milk production were the subject of government discussions. The effect was a decision by the Agricultural Ministry to have among its general goals the stimulation of progress in animal husbandry. As of last year subsidies have been allocated for the purchase of animal feeds. The free market feed prices, on the Krakow market, for example are 120,000 zloty. At auctions the prices of protein rich feeds can go as high as 200,000 zloty. The subsidies are substantial, on the Krakow market they are 25,000 to 30,000 zloty. Moreover the cooperative banks give credits at easy terms. One may take advantage of this credit when purchasing a feed with known nutritional value. This is a factor which encourages the farmers to continue their cooperation with the farm service organizations.

Government support is also being given to some forms of veterinary care. As of 1 January 1987 along with treatment for infertility, udder diseases will also be treated at no cost. Lately these have been fairly widespread, having an effect on milk production. Udder diseases have lowered the milk yield and lowered the quality of milk.

From the beginning of the year there will be free inspections of milk producing cattle. This procedure has a real significance from a selective breeding standpoint. Several years ago inspection of livestock was done on a fee basis, at the high rate of 800 zloty per head per year. The immediate effect was that most farmers removed their livestock from government inspection programs. In Krakow province, last year, there were only 2,400 cows in the inspection program, most of them in state farms. This has undoubtedly caused a regression in selective breeding and several years will be needed to make up the losses. On the average the inspections are beneficial to the farmers. The offspring of the cattle in the inspections is pedigreed and at time of sale brings a higher price.

From the beginning of the year there is another form of support, an attempt to guide the production of milk; prices for insemination services have been lowered. As of 1 January to the end of April 1987 the farmers will pay 200 zloty less. Up to this time the price of these services was between 500 and 800 zloty. The lower cost is permanent everywhere and applies to the entire country. As of 1 May 1987 the old prices will return.

In the thinking of the authors of this project this procedure is to induce a stabilization in the milk market. Its chief characteristic is the peak of supply which comes in late spring and summer, while it bottoms out during the winter months. This state of affairs has caused some difficulties in the gathering and processing of the raw material in the summer and with supplying the market during the winter. The introduction of lower insemination prices in the first months of the year should bring an effect in the form of increased calvings during the winter. Of course, during the summer, for natural reasons, there will again be a time of increased lactation. We can then expect an increase in milk production with a simultaneous leveling in the so called peak periods.

It must be understood that life will make its own corrections to these goals. But there is no doubt that large subsidies have been put into effect whose purpose is to bring about rationalization in the field of animal husbandry. This rationalization in milk cattle raising should in a positive way offset the genetic change which without doubt has occurred. These procedures are tightly connected to the matter of profitable production. It is not apparent, yet the influences are self evident. Of course one can endlessly argue which purchase price makes milk production profitable, but one cannot argue the statement that a rationalization in animal husbandry will improve profitability.

12411/7051

CSO: 2600/416

STATE FARM DAIRIES OUTPRODUCE PRIVATE SECTOR

Warsaw RZECZPOSPOLITA in Polish 20 Jan 87 p 3

[Article by Ludwik Staszynski: "The Geography of Milk"; the text of the presentation given by Prof Jan Szczepanski on 26 January of this year [1987] at the Polish Economic Society. The title was given by the editorial office. -Ed.]

[Text] In 1985, slightly more than every sixth liter of milk, and every sixth kilogram of butter or cheese came from collective farms. Collective farms, which at that time occupied 23.5 percent of all farmland in the country, produced 17.2 percent of all the marketable milk with nearly 90 percent of it from PGR's [State Farms].

The share of collective farms in the marketable production of milk in the respective provinces is greatly differentiated—from 0.3 percent in Siedlce Province to nearly 60 percent in the provinces of Kiszalin and Szczecin. The residents of the following provinces also receive a lot of milk (from 40 to 50 percent) from collective farms: Gorzow Province, Legnica, Leszno, Poznan, Wroclaw and Zielona Gora Province; slightly less but also quite a lot in the provinces of Elblag, Leszno, Opole, Pila, Walbrzych, Bydgoszcz, Gdansk, Olsztyn and Suwalki.

The country's largest suppliers of milk in the group of collective farms are the provinces of Szczecin and Poznan which in 1985 supplied more than 150 million liters of milk to the market.

Under the Sign of Intensification

It is often heard that the number of cows on collective farms was significantly more dormant during recent years on collective farms than on private farms. And this, indeed, is the case. Between 1981 and 1986, there was a decrease of more than 130,000 cows; i.e., as much as 16.2 percent of their total number. But did the production of milk drop as well? Quite the contrary. The procurement of milk from collective farms rose slightly more (16.5 percent) during that period than the drop in the number of cows. In other words, collective farms have considerably fewer cows but produce considerably more milk.

Admittedly, this procurement increase is somewhat smaller than that from private farms (21.0 percent) but under conditions of the sharp drop in the number of cows, this should be considered a great achievement. Of course, this was possible due to the significant increase in productivity which during the period under discussion rose by nearly 450 liters of milk per cow on collective farms whereas on private farms this number amounted to barely 125 liters.

Changes in the marketable production of milk on collective farms are not uniform, however. In certain provinces, the procurement of milk is small or does not exist at all. Similarly, in some provinces the decline in the number of cows is alarmingly large.

Fortunately, in provinces where collective farms are very important to the consumer market of dairy products, the situation is generally good; the drop in the number of cows is moderate and the increase in the marketable production of milk--significant. This refers, above all, to such provinces as: Bydgoszcz, Gorzow, Kalisz, Koszalin, Leszno, Opole, Poznan, Slupsk, Suwalki, Szczecin and Zielona Gora.

However, in the group of provinces in which collective farms play a significant role in the procurement of milk, there are also provinces in which the decline in the number of cows is quite significant and the marketable production of milk has risen to a small degree or has even fallen. Such is the case in the provinces of: Elblag, Gdansk, Jelenia Gora, Legnica and Wroclaw. These are regions that in general have at their disposal large areas of good grassland favorable to the development of dairy cattle raising.

In Terms of One Cow

Collective farms are clearly in the lead as far as the sale of milk from one cow is concerned, which in 1985 amounted to 2,734 liters on the average whereas 1,907 liters of milk came from private farms. In 10 provinces: Bydgoszcz, Katowice, Konin, Leszno, Opole, Piotrkow, Plock, Poznan, Sieradz and Wloclawek, the sale of milk from one cow surpassed 3,000 liters whereas on private farms this sale was higher than 2,500 liters in only 5 provinces. The reason for these differences is, above all, lower milk productivity of cows and higher natural milk consumption on private farms.

However, in terms of 1 hectare of farmland, the situation is reversed. In 1985, collective farms sold 445 liters of milk from 1 hectare (PGR--508 liters) whereas private farms sold 639 liters per hectare. This difference is due in turn to a larger number of cows on private farms per hectares of farmland. However, the highest sales both from one cow (3,595 liters) as well as from 1 hectare of farmland (1,026 liters) were noted on PGR's in Sierdz Province.

It may be said that in striving for increasing milk sales per hectare, collective farms should also make the effort of increasing the number of cows. After all, there is no shortage of buildings because there are

130,000 fewer cows. However, this is not a simple matter if one takes into account that a headache for many collective farms are difficulties with finding people to work in dairy cow barns. Despite rather good wages, those willing to take on this very toilsome work cannot be found easily.

Table 1. Number of Cows and Procurement of Milk from Collective Farms in certain Provinces

<u>Province</u>	<u>Number of Cows</u> <u>1986-1981</u>	<u>Procurement of Milk</u> <u>1986-1981</u>	<u>Share in Procurement of milk in</u> <u>percentages (1985)</u>
Poland	83.8	116.5	17.2
Bydgoszcz	89.5	129.2	27.3
Elblag	65.8	103.5	35.3
Gdansk	77.7	108.7	26.2
Gorzow	89.7	118.3	49.8
Jelenia Gora	78.4	105.2	24.7
Kalisz	87.3	118.3	16.3
Katowice	81.2	110.0	22.6
Koszalin	91.0	129.4	59.4
Legnica	77.1	98.7	42.0
Leszno	92.3	118.0	37.8
Olsztyn	81.6	115.4	28.1
Opole	88.8	115.3	30.2
Pila	87.1	115.8	35.3
Poznan	88.5	119.1	48.5
Slupsk	77.8	134.7	53.0
Swalki	86.0	119.7	21.2
Szczecin	91.8	126.8	58.3
Walbrzych	78.0	114.9	36.4
Wroclaw	81.0	98.6	44.6
Zielona Gora	91.7	121.7	41.3

*Calculations of the author according to GUS [Central Office of Statistics]. Those provinces were taken into account in which more than 15 percent of the procured milk came from collective farms.

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It may be said that in striving for increasing milk sales per hectare, collective farms should also make the effort of increasing the number of cows. After all, there is no shortage of buildings because there are 130,000 fewer cows. However, this is not a simple matter if one takes into account that a headache for many collective farms are difficulties

with finding people to work in dairy cow barns. Despite rather good wages, those willing to take on this very toilsome work cannot be found easily.

It seems that in this situation, it would be worthwhile to examine the solutions that were once practiced in the GDR and currently also in Hungary and particularly in the USSR--the creation of something in the line of milk production "farm teams." Buildings, their equipment and also a certain area of land needed for fodder production is turned over for use to teams of interested workers. Nonetheless, in many cases we are dealing with unused production potential. Perhaps the wives of PGR workers, whose professional activity is in general rather small currently, would be interested in these kinds of possibilities of augmenting the family budget.

There is also the issue of the eventual reconstruction in the PGR's-- at least partially--of the working [pracowniczy] number of cows. At one time, this number came to 100,000 head. They gave milk for the needs of the family and sometimes also for sale. In an administrative sense, this number has succumbed to nearly total elimination. The families of PGR workers receive milk for their needs free of charge from their farms. However, if buildings are standing empty, and pastures and meadows are not being used, perhaps it would be wise to return here and there to working cows on PGR's as well. Some members of production cooperatives still have them, although in small numbers now (approximately 7,000 head).

Increased Productivity Is Important

In taking a closer look at the geography of milk procurement in a regional layout, it is impossible to overlook a certain phenomenon which should be considered a kind of abnormality. In general, we have a small number of cows and small procurement of milk around large areas of consumption. As a result, it is brought in from considerable distances which entails heavy expenses and has an unfavorable impact on the quality of milk. Would it not be worthwhile to consider introducing special higher milk procurement prices in regions situated near large urban centers, using for this purpose funds derived from savings on milk transports?

The process of intensifying milk production on collective farms and particularly on PGR's is undoubtedly the result of the economic reform which has been introduced there and which has spurred the more efficient use of dairy cattle. This resulted from the elimination from the herd of cows with a low output and also of using nutritive fodder to a greater extent. In this respect, collective farms with their own nutritive fodder production plants and the availability of subsidies during its production, are in a significantly better position than private farms.

Therefore, PGR's and production cooperatives give indications, of sorts, as to the road to be taken by private dairy cattle farmers so that they too can obtain more milk from their cows than has been the case thus far. Because a drop in the number of cows is not tragic if it is accompanied by a production intensification process and an increase in output. Therefore, we can have more milk from the present slightly smaller number of cows.

DECREASED EFFICIENCY OF WORKER PARTNERSHIPS NOTED

Warsaw RZECZPOSPOLITA in Polish 17 Mar 87 p 4

[Article by Bozena Papiernik: "Factory Worker Partnerships -- Accounting Profits"]

[Text] Worker partnerships can function in every field of endeavor from industry to scientific-research institutes and budget offices. They can also not only work in well-knit divisions during the normal course of production but can also do repair work, perform the most diverse services and handle emergencies and equipment failures. It is true that these partnerships have still not made their way into all sorts of work establishments and it is a shame.

The liberalization of regulations on worker partnerships at the end of 1985, just one year after they were enacted, caused a dramatic growth in the number of these groups last year. According to data from the 3rd quarter of last year, worker partnerships existed in nearly 4500 establishments and included 400,000 workers. Although not all of the data is in yet, one can assume that in the 4th quarter of this year, such partnerships will still be coming into being.

It is worth adding that industry and construction have taken the lead. It is in industry that worker partnerships are most often formed in the branches of the food industry, electrical machinery, furniture, light industry and chemistry. Last year, worker partnerships also made themselves felt, although to a lesser degree, in urban management, transport and services.

Therefore, worker partnerships gained their citizenship in Poland last year. However, the hitch is that the more of them that have formed, the more their reputation has worsened. In some cases, there does not even seem to be any sense in forming them at all. It is therefore worth trying to determine the benefits associated with these partnerships without ignoring their imperfections and distortions.

How efficient is work within the worker partnerships? The figures tell us that they are no longer as efficient as when they first operated. In 1984-85, they produced 43 and 44 zlotys (respectively) for every zloty paid in wages.

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In the 3rd quarter of last year, for example, they produced just 9 zlotys worth of production for every zloty paid in wages.

This drop in efficiency is partially the result of the greater field of action taken by these partnerships but does that explain everything? Quite naturally, in sectors of the economy such as transport, communications and urban management, the efficiency of worker partnerships cannot be compared with their efficiency in industry.

The accounting methods used for worker partnerships may also give rise to some doubts. The Finance Ministry's instructions on the principles of book-keeping for worker partnerships are not concise enough to exclude irregularities that may occur whenever a partnership performs only part of its work. However, that does not affect the amount of wages received by the partnerships and too much emphasis is placed on giving them the same or similar wages to those received during normal working hours.

In spite of all these "buts", the work done in partnerships is generally more efficient than that performed under normal conditions.

All kinds of repair work, machine rebuilding, parts remanufacturing, emergency work and seasonal agricultural work are the types of activities in which worker partnerships are unquestionably useful. To put it simply, partnerships can be introduced wherever there are investment, cooperative and employment bottlenecks. They are also found wherever there are temporary accumulations of work connected with pro-export orders or seasonal production.

Still another observation is that the partnerships are a way of breaking out of economically unhealthy but entrenched practices such as those found in repair work. For years on end, much money was spent on repair work by foreign contractors in order to avoid increasing one's own employment and wage expenses. However, there is no doubt that worker partnerships perform repair work much more quickly and inexpensively. Furthermore, they have also been responsible for reducing overtime work because they do not figure overtime into their scale of wages.

They also have their imperfections. According to what the partnerships themselves have said and according to studies conducted in Czesochowa Province last year, for example, it has been found that the partnerships' zest for work has often been accompanied by careless performance of their duties during normal working hours. Such is the case in industry when the same group of persons works during the first shift and then works again as a partnership during the second. In order to artificially increase the efficiency of the partnership, they often "squirrel away" their tools and materials during their first shift.

The lack of supervision which in such forms of partnership organization is especially strict, weaker work discipline and bad organization all distort the functioning of these partnerships. The same causes of irregularities have also been detected by financial audits. It has turned out that some partnerships are paid too much for work which has been done carelessly.

The regulations on factory worker partnerships clearly obligate the plant directors to monitor and properly account for their activities and this would do much to eliminate many of their irregularities.

Up to now, wages earned within partnerships have been exempt from Vocational Activation Fund charges and from taxes on extra income. However, after this year, the tax principles will be changed. These changes concern an anti-inflationary valve in the form of a 12-percent threshold on wage increases. Any wage increase over that figure would cause a tax increase. In addition, taxes will be set on the basis of the wages earned by partnerships last year.

The tax threshold will therefore be easier to maintain within the set limits. This should encourage more efficient work by the partnerships. However, it would be bad for this form of extra production to be restricted because this could, in many cases, have a detrimental effect on the work results.

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CSO: 2600/496

BACKGROUND ON CHARTER, GOALS OF STATE FARM ASSOCIATION

Warsaw SLOWO POWSZECHNE in Polish 27 Jan 87 p 3

[Interview with Edward Debicki, president of the National PGR [State Farm] Association, by Witold Nartowski: "The Second Phase of the Reform"]

[Text] [Question] In December of this year the first national gathering of PGR Association delegates took place. What was the aim in forming this organization in view of the existing National Organization of PPGR [State Farm Enterprises] and what are its fundamental aims?

[Answer] The motive for forming the PGR Association grew over the last few years out of our activists' concern over preparations for the second phase of the economic reform. In the first 5 years during which the reform functioned much was done in the individual units using fairly straightforward reforms, but presently a continuing growth of production can be obtained only through technological but mainly biological progress. Tied to this is the necessity of raising the qualifications of our activists and workers in the PGR, adopting new organizational methods, and the growth in use of chemicals in production. It seems to us that we need not only funds but also the exchange of information and close cooperation between various units. This was one of the principal reasons for forming our association.

The Organization has already fulfilled its function. Under the present circumstances, when there is a need for improving production methods and technologies and a necessity for widening and improving the exchange of information the association can better fulfill these needs.

[Question] In a speech during the gathering you postulated that among the association goals is the reinforcement of each unit's independence and the defense of its interests. What kind of defense and against whom?

[Answer] We are not talking about defense in the traditional meaning of the word. Individual farmers and farm cooperatives have their own representatives while we do not. The national organization was a form of economic representation, it had no legal means of presenting the opinions of the activists and workers in the PGR. Conversely, we have the lawful guaranteed right to represent the state farms among its other counterparts.

[Question] Does this mean that you will be, for example, a party to the annual negotiations to settle prices for farm products?

[Answer] Most certainly.

[Question] On the global scale the PGR can pride itself with definite achievements. A profit of 57 billion zloty in the past economic year speaks for itself. But still 25 percent of your units are at the margin of profitability while over 80 are operating at a loss. Those units must get help from their wealthier neighbors. On what conditions is this done, the wealthy cannot support the weak indefinitely?

[Answer] The equalization system has been functioning for 5 years. It was established because a major part of the units entered the reform with an unequal start. In previous years the government gave much funding, as is well known, to the PGR's but only the most resilient accepted them. This first. Second, when a new agricultural tax was introduced it was expected to create preferences for farms which were functioning under difficult climatic, soil, and terrain conditions. These expectations were not realized. It remained to be reconciled with the fact, that according to the accepted principle the weak PGR units should go bankrupt and thus a million hectares should go fallow; or to find a method of finding a method of helping those who were laboring under difficult conditions. The units have come out from under proviso that if the tax and pricing system gives preference to farms which are functioning in better conditions, then those who benefit from the good conditions will not be harmed if part of the resources in the system will be used to even out the chances for an equal start in the reform. Of course, this help is not unlimited, it will be in effect over a certain span of time. The equalization funds is to be a help, not a means of having the strong support the weak.

At the beginning the funds were 10 to 11 billion zloty, but by 1990 we plan to decrease it to 6 to 7 billion. This should function up to the point where the tax and product pricing system is modified to the extent where those producers who labor under difficult conditions have a chance to survive. Financing is given for the purpose of modifying the production structure, and some investments, or elements of activity, which are to enable these farms to attain the greatest independence. Those units drawing from the fund must have a program for reviving their management. The plan implementation is supervised by the founding organs, which manage the fund and distribute the necessary sums.

[Question] There is still much controversy surrounding the matter of subsidies for government operated enterprises. Production is not directly subsidized but communal building programs are. After all, this affects the net result of an enterprise.

[Answer] Several matters must be explained. Before the introduction of the reform it was decided that the budget owes the PGR's, as amortization, part of the borrowed funds, on the order of 10 billion zlotys. This sum was designated for several purposes, mainly for buildings and WOPR's [Provincial Agricultural Development Centers]. This is an unchanging sum, presently dwindled, which from the viewpoint of the units has no real meaning. With the reform subsidies for communal purposes were introduced, but were cancelled in January 1986. Presently the PGR's are mostly

benefiting from subsidies for enriched feeds. The remaining subsidies have no special significance since they concern all the agricultural sectors. Every farmer takes advantage of the biological progress fund, the WOPR's, the achievements of the research institutes etc. The enriched feed subsidies presently amount to 37 billion zloty, while the building of housing in our units is partly financed by a special fund supplied by the agricultural minister. This amounts to about 20 billion zloty.

All those that accuse us of taking advantage of subsidies must understand that they are necessary under the difficulties that the PGR's, even the ones with outstanding financial and economic results, have in obtaining loans. And this is the way it was during the last few years. Presently it is somewhat better, but credit is still difficult to obtain.

[Question] There is an opinion that the PGR's have the best access to the means of production and that this is the reason for the recent successes. Some statistical data would no doubt confirm this. The state farms, for example, use the largest quantities of mineral fertilizer in all of agriculture, 270 kilograms of NPK [Nitrogen, Phosphorus, Potassium], per hectare.

[Answer] No statement could be less correct. When it comes to equipment our needs are only met to a small degree. During the last 5 years the tractive power at the disposal of the PGR's has not changed substantially, we received only one quarter of the tractors needed. Many farms stand at the edge of technological collapse. The number of combines has gone down. Situations exist where one machine must service nearly 160 hectares during the harvest.

As far as fertilizing goes, there is a misunderstanding based on the character of each statistical investigation. The state farm units included in the count are large farms with a high productivity and they demand high rates of fertilization as it is desired to obtain a yield of 50 and more quintals of wheat per hectare. It is so all over the world. In counting individual farms all are taken into account including the small farms that amount to large fenced plots where fertilization is minimal. This skews the statistics. If one would compare the amount of NPK used by peasant farmers on large production farms and by us then one would hardly see a difference. These are simply the requirements of agricultural production without which neither we nor the large peasant farms could produce a harvest.

[Question] Lately, much has been said about the situation in which many of the greenhouse farms heated by mazut fuel have found themselves.

[Answer] Yes. This is a situation with almost no solution. Those PGR units that use coal for heating are satisfied, but the mazut fueled ones or the ones that buy heat from an electrical/heating plant are spending 70 percent of their operating income for heat. For a time the situation has been resolved. The finance minister, in an understanding with the

agricultural minister, has set an equalization for those facilities so that their costs are held at the same level as those fueled by coal. Most necessary is a speedy modernization of those hothouses with a conversion to coal fires as fuel. But with this there are problems.

[Question] And now the last question. In the framework of managing farm land which is lying fallow, new PGR units are being formed, mainly in the eastern provinces. Is this not a form of extensive management, is it not better to use these funds in order to build up existing PGR units?

[Answer] These undertakings have a marginal character, for really serious undertakings the nation has no funds. Of course this is a form of extensive management and to us, as an association, this is of little importance. The founding organs make the decisions in this case.

The number of new farms, after all, is not great and will nearly equal that of the units being liquidated. Their purpose is to perform certain tasks in consolidating the land, creating an infrastructure which would support a farm population in these regions. These PGR's, like many already operating for years, should, in addition to strict farm production, take up income producing side production for the benefit of the food economy. We support such activities, although they demand the utmost resiliency in those enterprises. This is not just a financial and economic benefit for the PGR, but also a social gain, since it gives work for the family members of PGR workers and even for the local residents not employed in the enterprise. This is, in our opinion, a tremendous opportunity for the new enterprises as well as for the remaining less profitable farms.

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ECONOMIST ON INTEREST GROUP POLITICS, AGRICULTURE

Warsaw TYGODNIK KULTURALNY in Polish No 7 Feb 87 p 1

[Article by Jan Szczepanski: "Chances and Threats"]

[Text] I am not a specialist with detailed knowledge of Polish agriculture. I simply do not have such knowledge. What I have to say is a loose collection of thoughts.

The point of departure for my contemplations is the statement of the glaring fact that three areas of reality, which for centuries have constituted a more or less cohesive whole, are starting to come apart; namely, the rural community, the peasant class, and agriculture. The fact is well known and analyzed. The development of agriculture is decided to an increasingly greater extent in research institutes and in industry rather than on farms. Peasant class institutions are also moving to the city and separating themselves from agriculture whereas an increasingly greater percentage of rural areas is being populated by workers who have little in common with farming and the peasant class. Agricultural workers are being supplied by agricultural schools and their students are recruited from all social classes and not only from the peasant class. Many of them are from the city and this process is slowly intensifying. Therefore, the development of science and technology as well as the development of the agricultural school system is beginning to dominate in processes marking agricultural development. This seems so obvious that it is accepted without raising any doubts. But despite this, many problems requiring consideration are emerging here.

As we all know, agricultural policy in Poland advanced three concepts of agricultural development: a.) the development of strong and highly productive family farms; b.) the development of production cooperatives; c.) the development of state agricultural enterprises. The incorporation of agriculture into the socialist economy may be implemented through policies which either steer the production decisions of farmers along with the preservation of the ownership of private land or through the socializing of land in production cooperatives. A third possibility is the creation of PGR's that gradually take over increasingly larger areas of land and form a kind of symbiosis with the surrounding family farms. Each of these roads of development has its economic, social, political

and cultural costs. I wrote about this elsewhere ("The Rural Community and Agriculture" 1985 No 1). However, regardless of the road this development takes in the future we should give thought to what kinds of social forces can become its vehicle and driving force; what kinds of interest groups exist interested in agricultural development; who wants this development; who is its central force; who forms what kinds of barriers; what motivations prompt him; and what kinds of methods of action can be accepted?

At first glance, the case is simple: the owner of a farm is interested in agricultural development regardless of whether this is the head of the household or members of a cooperative or the head and manager of a PGR. And yet, we remember well the times during which as we read in memoirs: "a peasant was more afraid of increasing the wealth of his farm than of fire." Furthermore, we also know that the motivations of both the cooperative member and the PGR management are quite distant from the simple motivations of an economical individual. Therefore, I feel that agricultural policy should be based on the specification of current and potential social forces that can be actuated as motive powers. Next, it is necessary for learned sociologists, economists and representatives of social policy to examine and describe these different interest groups interested in either the development or the decline of agriculture, which either understand or do not understand the mechanisms that should be placed in motion for agriculture to develop.

Up to now, we have paid attention to, above all, the ideology of agricultural development. However, this is not a crucial factor of social reality.

Ideology is not always a strong motivational incentive. Agriculture, just as other sectors of the economy acts in a motivational manner by creating sufficiently attractive life's changes. I believe that this concept of life's chances created by agriculture is important for analyses of its current and potential possibilities of development because all the real factors of agricultural development; i.e., scientific knowledge, technology, the role, climate, market, agricultural policies, etc. are placed in motion by people identifying their life's chances with the functioning of a specific real farm. No one identifies himself with agriculture as an abstract socioeconomic category but with a concrete farm, again regardless of whether it is a family farm, a cooperative or a state enterprise.

What are life's chances and what do we have in mind when speaking about life's chances? Each individual sets some sort of goals in his or her life; everyone strives to achieve the ideals that constitute value and aims for a more or less defined range of coexistence. These values and coexistence are the possibility of having a family; the attainment of a certain level of education and cultural activity; the earning of respect; the attainment of happiness, an income, living comforts, etc. Therefore, it is very easy to establish prospects of agricultural development by comparing the achievement of these goals by two young people of the same

age, with generally very similar talents and conditions of starting out in life of which one remains on the farm and the other takes a job outside of farming without attaining a higher level of education. What kinds of resources of energy, time, work and effort will it cost each of them to attain the same income, comforts, housing conditions, participation in cultural activities, health care, conditions for raising their children, etc.? I feel that such comparisons can show what kinds of chances are created by agriculture and, therefore, that kind of a future agriculture has before it.

In Polish farming, attachment to one's patrimony, a sense of obligation toward the land and at the same time, a traditional indifference toward the world always played an important role until recently. In reality, both of these attitudes already belong to the past. The attitude of farmers toward the land is improving to an increasingly greater degree and the land is treated as a source of production; patrimony in PGR's and cooperatives is out of the question but among the farming population settled in the western and northern territories, this attitude has formed itself to a small degree.

The selection of farming as a profession and a way of life, and as a goal and sense of life is becoming the object of rational calculation especially among youth with secondary and higher education.

The concept of interests of the farming profession is further linked to the concept of life's chances. I am not speaking here about class interests of peasants since many of these interests are not tied to farming but, for example, to political authority and this does not interest us here. A farmer's interests are also quite varied and their analysis is necessary for defining the developmental chances of agriculture in Poland.

Interests are peculiar in that the encounter clashes with the interests of other collective bodies and that is when the definition of the chances of the implementation of farmers' interests is the definition of the developmental chances of agriculture. This is an embarrassingly banal thesis but if we were to take a closer look at the practice of treating farmers by other professional groups as, for example, agricultural administrative workers, industrial workers, etc., we would notice a deeply imbedded conviction that farmers' interests do not have to be reckoned with because they always manage to get along. However, this is not how it is and this conflict of agricultural and nonagricultural interests requires thorough analysis.

In searching further for the elements of agricultural development, we come to the concept of the activity of farmers as a social force expressed in the range of economic, technological, social, cultural and other initiatives which give rise to innovations on the farm, in the forms of the coexistence and cooperation of farmers, etc. The conviction has become generally accepted that a "passive element" remains in the rural community and those who are active and possess initiative go to the city.

It turns out that things are different. Leaving for the city, for employment in the socialized sector of the economy is resignation from initiative. Employment in the socialized economy signifies being dependent on something whereas remaining on the farm signifies reliance on one's own initiative and one's own strength. Passiveness is a misfortune of the socialized economy. There exists a certain "degree of initiative and activity" among farmers which is also an important factor in the development of agriculture. However, it should also be kept in mind that the activity of farmers is considered a threat by some workers of the agricultural administration.

Every initiative and every activity encounters resistance in the natural course of things.

The concept of resistance plays an enormous role in attempts at defining the chances of agricultural development in Poland. What kinds of resistance does the development of agriculture come up against in our country? Perhaps there is some sort of study on this subject—I do not know but I do know that there is material for such a study in the form of already numerous collections of memoirs, autobiographies, and recollections of peasants written during the last decades. On the basis of these, we can study the resistance occurring in the attitudes of the farmers themselves and in rural collective bodies; in organizational structures and in mechanisms of the planned economy; in agricultural policy, etc. Without such a study it will be difficult to define the chances of development.

I also feel that an essential issue in defining the possibilities of agricultural development is transformations in the rural collective body and, above all, in the unity of the village as a family-neighbor collective body. At various rates and in varying degrees, rural communities are rather becoming rural areas in a geographical sense that are neither rural communities nor towns in the traditional sense and are becoming rural areas without farming or peasants. Such areas are being created around towns, as recreational centers—as symptoms of flight from the negative aspects of life in the ruined urban environment. The effects on agriculture issue forth not only from the taking away from agriculture of farmland but also from the elimination of farming and peasant communities from increasingly larger areas that in point of fact are not urbanized. How far has this process gone? In 1984, of the 4,765 buildings turned over for use in rural areas only 1,740 were appropriated for agriculture in the socialized sector of the economy whereas in the non-socialized sector, of the 83,991 buildings 31,521 (MR [Ministry of Agriculture] St. 1986 p 162) were assigned for agricultural use. What do these figures mean? The Central Office of Statistics [GUS] does not report how many of the 54,370 residential-farm buildings built in the rural nonsocialized sector were assigned to agriculture. The analysis of building construction in rural areas is an interesting indicator of the trend of changes.

In a speech before the Sejm given more or less 10 years ago, I stressed the importance of three irreversible processes occurring in Poland,

namely: every year approximately 50,000 hectares of land left cultivation at that time, every year 50,000 employees also left, and every year the nation's population increased by approximately 350,000 to 400,000. I do not know how these figures present themselves today and whether the trend of the disappearance of farming has been overcome but the growth of the economy at that time was rather aimed at the elimination of two foundations of agriculture: cultivated land and those working on this land.

Yet another thought and question comes to mind: How effective are the currently used methods and technologies of developing agriculture and is it possible to imagine more effective methods? The current development of agriculture occurs under the influence of the purposeful actions of government policy, under the influence of the purposeful actions of the farmers themselves and finally, as a result of spontaneous and uncontrolled processes arising from mutual reactions of many phenomena occurring both in rural areas and outside of them as well as in other branches and sectors of the economy. I have always been of the opinion that the fundamental weakness of our agriculture is weakness of the industry producing machinery, chemicals, tools, household equipment, etc. for the agricultural sector and the political weakness of agriculture in the presence of powerful nonagricultural interest groups as well as weak penetrability of the results of scientific and technological research into agriculture.

So much for the contemplations and questions regarding the development of agriculture in our country.

9853/9190

CSO: 2600/419

MARITIME ECONOMY PERFORMANCE IN 1986 SUMMARIZED

Warsaw RZECZPOSPOLITA in Polish 18 Mar 87 p 4

[Article by [p-k]: "Marine Management This Year -- A Rise In Transits In Our Ports -- 400 Million Dollars For the Transport of Foreign Loads -- Modernization of Repair Yards"]

[Text] (Own information) The last year in marine industries ended with good results in many areas. These results were described at a press conference by Minister Adam Nowotnik, director of the Marine Management Bureau. Despite the crisis in world shipping, this year has not been the worse for our marine industries.

Last year, Polish shipowners noticed the best financial conditions in two years. A drop in the supply of freight from Polish foreign trade was accompanied by an increase in runs between foreign ports. They reached a figure of 5 million tons which produced around 400 million dollars worth of income. The quality of services offered by the Polish shipping fleet improved and its technical readiness also grew. The amount of time that ships spent standing idle in ports was considerably reduced. Polish marine shipping also made further progress in modernizing its fleet while the Polish Ocean Lines started a process of thorough reorganization to strengthen this firm and reduce its level of subsidies.

Despite a drop in the handling of certain products and especially coal, Polish ports earned about 13 percent more money last year. At the same time, the wharves are receiving much more profitable parcels and transit turnover has gone up a third which has to a great extent improved the finances of our ports. In Swinoujscie, work has begun to build a modern base for ore shipment.

There has been good progress in ship repair both for export and for the Polish commercial and fishing fleets. Shipyard profits have risen 15 percent. A process of fairly intensive modernization has been started with the help of 180 million rubles and 20 million dollars worth of Soviet credit which will be paid back in services to the fleet of our eastern neighbor. The Gdansk Ship Repair Yards have begun to build a drydock that can handle the largest Polish ships. The Szczecin Ship Repair Yards are also building a new facility with a large dry dock.

Meanwhile, our fishing fleet has had its worst results in two years both in the Baltic and in distant oceans. Their total catch has been 610,000 tons which is about 40,000 tons less than two years ago.

The present year should bring some improvement in management efficiency. It is said that there will be a drop in subsidies still received by 6 enterprises. Positive results are also expected from a review of structures and job certifications. Most certainly, we will be seeing effects from this year's systems changes such as the introduction of transaction prices (in place of wholesale prices) for ships bought in Polish shipyards by domestic shipping lines, a larger than ever before portion of amortization remaining in the hands of enterprises and equalization of the principles of services export (which is the domain of marine firms) with the export of goods.

12261

CSO: 2600/496

DATA ON NONMETALS INDUSTRY

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 9 Mar 87 p 30

[Unsigned article: "Nonmetallic Products: Processing Level Stable"]

[Text] To judge by data for 11 months of 1986, manufacturers and processors of nonmetallic products last year kept up the relatively high increase in the physical volume of labor. This increase is estimated to be around 4.5 percent relative to 1985. Production was more or less stable last year in the processing area, which makes up about 95 percent of the nonmetals sector. The same cannot be said of the raw materials area. Toward the end of the year, raw materials production lost the momentum of the first months, when above-average high labor volume growths of 10 percent or more were recorded, with the result that October ended with a production increase of 3.6 percent relative to the same period (10 months) in 1985. The decline in raw materials production continued to the end of the year.

Despite the problems associated with irregularity of raw materials supply, processors in the aggregate increased output at a significantly more even pace. According to data of the General Nonmetals Association, in 11 months production of ceramic and porcelain ware increased by 31 percent, and marketing by around 30 percent. The increase in manufacture of bricks and tiles continued, this permitting decrease in stocks for 20-day output by 38 percent relative to the same period the previous year. The aggregate results of nonmetals processing were heavily affected by increase in the production of plate glass, and also of refractory and safety glass. Manufacture and processing of asbestos are also increasing, while production of almost all assortments is declining in the refractory materials industry (for example, sintered magnesite by 5 percent, fired white bauxite and firebrick each by 25 percent, and basic brick by 15 percent). The decrease in sales has been accompanied by lowering of output, while stocks of individual refractory materials are growing. At the end of November 1986, for example, a volume of firebrick, silica brick, and basic brick equivalent to the output for 1.5 months was present in stocks. In the glassmaking industry a decline of 8 percent was registered in production of hollow glass and glass for mass consumption, while production of packaging glass was stable. The production of industrial and electrical ceramics is also declining; the same applies to artificial grindstones, emery cloth and sandpaper, corundum, etc.

It appears that the 1986 foreign trade balance of manufactures and processors of non-metallic products underwent no appreciable change relative to 1985. According to the data available on the first 10 months, the total value of exports was around 132 million dollars, a decrease of only 1 percent relative to the same period in 1985. The value of imported raw and processed materials (chiefly finished products) remained unchanged over the same period; it amounted to 290 million dollars.

6115

CSO: 2806/358

RESULTS IN TRANSPORTATION FOR 1986

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 9 Mar 87 p 30

[Unsigned article: "Transportation: Traffic Brisker on Borders"]

[Text] Nearly 2 million tons of goods were delivered by truck in Yugoslavia last year. According to data of the Federal Bureau for Statistics, this was an increase of 6 percent over 1985. More than 256,000 vehicles were used in this activity; on the same basis of comparison, this represented an increase of 26 percent. At the same time, an increase of 3 percent was recorded in exports with highway transportation vehicles. Approximately the same number of trucks, around 257,000 or 14 percent more than in 1985, carried more than 3 million tons of freight out of the country. Essentially different trends were recorded in local border freight traffic. The number of outward bound vehicles decreased by 7 percent, and the number of inward bound vehicles by 6 percent. From the quantitative viewpoint, however, imports increased 25 percent, while exports dropped 48 percent. Transshipment also increased last year, by 7 percent in number of trucks (more than 305,000 vehicles) and quantitatively by 4 percent (more than 4.5 million tons).

To judge by the statistics, passenger traffic was also brisker last year than in 1985. More than 52 million passengers crossed the borders, an increase of 15 percent. This figure also includes around 13.7 million participants in local border traffic. The total number of vehicles used in border passenger traffic rose 15.4 million, this representing an increase of 17 percent.

6115

CSO: 2800/174

DATA ON CONSTRUCTION INDUSTRY

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 9 Mar 87 p 30

[Unsigned article: "Construction Industry: 1986 Results"]

[Text] In 1986 Yugoslav construction organizations collected a total of 2.168 billion dinars for work done for domestic investors. The 1986 figure was 97 percent higher than the income for the previous year. Prices, of course, were the greatest factor in the sharp rise in the nominal value of work performed. According to data of the Federal Bureau for Statistics, costs of construction materials rose 70 percent in 1986. Adding the labor cost of the construction organizations themselves (an item on which statistics are not kept) reveals that there were no major changes from the viewpoint of the physical volume of labor in the construction industry. There was, however, a slight increase in employment relative to 1985. This can be inferred on the basis of the data on work time expended. The number of workers employed directly at construction sites in 1986 increased 2 percent over 1985 (there were 321,194 workers in December). They worked 4 percent longer. The value of the profit which on the basis of contracts was to have been earned in 1986 was 97 percent greater than the value of the work contracted for in 1985. At the same time, this value is higher than the actual figure for last year; contractual commitments amounting to 120 billion dinars, about 5 percent higher than last year's performance, have been made in 1987.

A more than twofold increase in the value of work done in comparison to 1985 and 1984 was recorded in Vojvodina (103 percent more), Croatia (102 percent), and Bosnia-Herzegovina (101 percent). The increase was below the Yugoslav average (by 12 to 17 index points) in the other republics, while in Kosovo completed construction work increased "only" 55 percent. Expenditure of labor in construction was higher throughout the country. The growth ranged from 1 percent in Slovenia to 9 percent in Croatia. Exceptions are Bosnia-Herzegovina, where 1 percent less work was done, and Montenegro, where the labor expenditure index was the same as in 1985 and 1984.

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